Petition

81-918

Office - Supreme Court, U.S.
FILED
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ALEXANDER L. STEVAS,
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No.

IN THE

SUPREME COURT OF THE UNITED STATES

October Term, 1981

WARBERN PACKAGING INDUSTRIES, INC.,
Respondent,

vs.

CUT RATE PLASTIC HANGERS, INC.,
Petitioner.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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November 12, 1981

QUESTIONS PRESENTED

1. Did the Court of Appeals err in finding that the patent in suit was valid without finding that the patented subject matter exhibited synergism?

2. Did the Court of Appeals err in finding that the patent in suit was valid and infringed without determining that the District Court's findings to the contrary were clearly erroneous?

STATEMENT UNDER RULE 28.1

Pursuant to Rule 28.1 of this Court, petitioner Cut Rate Plastic Hangers, Inc. states that it has no parent companies, subsidiaries or affiliates.

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v.

CUT RATE PLASTIC HANGERS, INC.,

Petitioner.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

Petitioner Cut Rate Plastic Hangers, Inc., respectfully prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Second Circuit entered in this proceeding on June 5, 1981.

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Second Circuit is reported at 652 F.2d 987. The opinion of the United States District Court for the Eastern District of New York has not yet been officially reported. It is unofficially reported at 200 USPQ 616.

JURISDICTION

The judgment of the Court of Appeals for the Second Circuit was entered on June 5, 1981. A timely petition for rehearing and suggestion for rehearing *in banc* was denied on August 14, 1981. This petition was filed within 90 days thereafter. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

One federal statute and one federal rule are relevant to this petition. The statute is 35 U.S.C. § 103, which reads as follows:

> "A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

The federal rule is Rule 52(a), F.R. Civ.P., which provides in pertinent part:

> "In all actions tried upon the facts without a jury or with an advisory jury, the court shall find the facts specially and state separately its conclusions of law thereon . . . . Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses."

STATEMENT OF THE CASE

A. The Proceedings Below

This is a patent case. It was filed by respondent Warbern Packaging Industries, Inc. ("Warbern") in February 1974.

The complaint alleged that the manufacture and sale of certain garment hangers by petitioner Cut Rate Plastic Hangers, Inc. ("Cut Rate") was an infringement of United States Patent 3,047,196, owned by Warbern. Cut Rate denied infringement and asserted as one of its defenses that the patent in suit was invalid because its subject matter was obvious under 35 U.S.C. § 103.

The case was tried to the District Court (Hon. John P. Dooling, Jr.) in December 1977. The trial lasted five full days, during which the District Court heard extensive testimony on the issues of validity and infringement of the patent in suit.

The District Court issued its opinion in July 1978. Applying the standards articulated in *Graham* v. *John Deere Co.*, 383 U.S. 1, 17-18 (1966), the District Court found that the patent in suit was invalid for obviousness. The District Court did not decide whether the patent was invalid for failing to meet the synergism requirement. On the issue of infringement, the District Court found that Cut Rate's garment hangers did not infringe the patent in suit.

Warbern subsequently appealed these rulings to the United States Court of Appeals for the Second Circuit. In June 1981, the Court of Appeals reversed the District Court. It "found" that Warbern's patent was valid and infringed by Cut Rate (17a). The sole basis for the validity finding was that the patented subject matter was unobvious. No finding was made that the patented subject matter exhibited synergism, although the issue was raised by both Warbern and Cut Rate. The parties recognized in their appeal briefs that the patented hanger is a combination of old elements.*

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* E.g., Warbern Main Brief at 21; Warbern Reply Brief at 3.

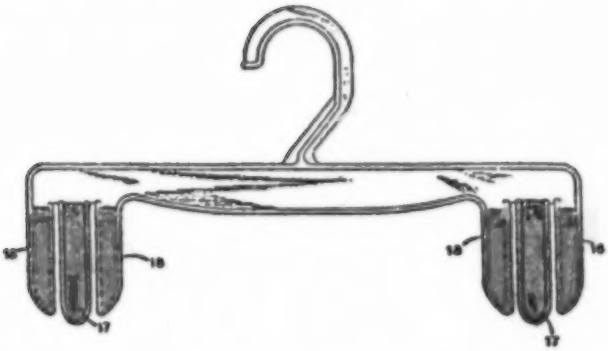
B. The Fifth Circuit Proceedings

The patent here in suit also was the subject of a declaratory judgment action brought against Warbern in the United States District Court for the Southern District of Florida. *Huron Machine Products* v. *A.& E. Warbern, Inc.* Civil Action No. FL. 76-6487-Civ-SMA (S.D. Fla.). In an unreported opinion of October 27, 1977, the Florida District Court found that the patent in suit was valid and infringed by Huron. The Florida Court made no findings concerning synergism. Nor did it consider the pertinent prior art relied upon by the District Court in this case in finding patent invalidity. The District Court below specifically noted this critical omission of the Florida Court.

The Court of Appeals for the Fifth Circuit affirmed the Florida decision on April 8, 1980. *Huron Mach. Products* v. *A. & E. Warbern, Inc.*, 615 F.2d 222 (5 Cir. 1980). While it mentioned the synergism requirement, the Court of Appeals did not reach that issue. It did not have before it the invalidating prior art relied upon by the District Court in this case. For that reason, the Court of Appeals found that the patented hanger was not a combination of old elements, and therefore the Court did not require synergism. 615 F.2d at 224-25.

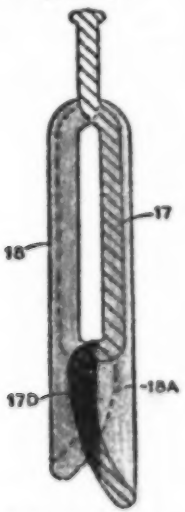
C. The Patent In Suit

The patent in suit describes and claims a particular type of plastic garment hanger. From the front, the hanger appears as follows:



As shown, each end of the hanger is provided with three pendant fingers. The hanger is used by thrusting a garment upwardly between the middle finger 17 (colored green) and the flanking fingers 16 and 18 (colored blue) at each end of the hanger. The garment is gripped between the fingers and held in place by friction.

The grip of each finger is enhanced by a protrusion on the side of the finger that contacts the garment. The protrusions are shown in the following side view of the hanger, in which the end of the hanger has been cut away through the center of the middle finger 17 (colored green):*

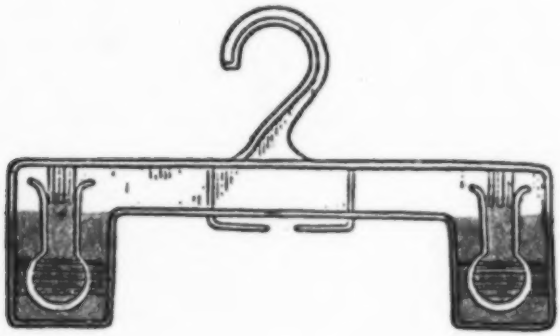


* In this view, the hook in the middle of the hanger is not shown.

Protrusion 17D (emphasized in red) is that on the middle finger 17. Protrusion 18A is that on the flanking finger 18; it appears in dotted lines because it is hidden by the middle finger 17.

D. The Prior Art Design Patent

In finding the patent in suit invalid, the District Court relied principally on the disclosure of a prior design patent, United States Des. 190,843.* The design patent disclosed a "new design" for a garment hanger. From the front, the hanger appears as follows:



As shown, each end of the hanger is provided with a middle finger (colored green) surrounded by a web (colored blue). The hanger is used by thrusting a garment upwardly between the middle finger and web at each end of the hanger. The garment is gripped between the middle finger and web and held in place by friction.

The grip is enhanced by a series of horizontal protrusions that run across the back of the middle finger and the front of the web. In the drawing shown above, the protrusions are

* The District Court found that the design patent was prior art under 35 U.S.C. § 102(a) (35a-44a). In the Court of Appeals, Warbern contended that this was error because the individuals named as inventors in the design patent were the same individuals named as inventors in the patent in suit. The Court of Appeals did not reach this issue because it concluded that the patent in suit was unobvious even if the design patent was prior art (11a).

shown as a series of closely-spaced horizontal lines. The protrusions also are visible in the following side view of the hanger, in which the hanger has been cut away through the center of the middle finger (colored green) and its protrusions (emphasized in red):*

The protrusions on the front of the web are hidden behind the protrusions on the middle finger.

There was testimony at trial that the hanger of the design patent was "not good enough for practical use in commerce" (29a).** This testimony came from Warbern's president, who is named as an inventor in the patent in suit. He testified that he had conducted tests of the prior art design patent hanger and found it wanting because garments, when jostled, would fall off the hanger. He concluded: "It needed more gripping or more surface or whatever it needed, it just didn't hold the garments in place" (65a).

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* In this view, the hook in the middle of the hanger is not shown.

** Although there was also testimony that the hanger of the design patent had been manufactured and sold commercially (64a).

REASONS FOR GRANTING THE WRIT

A. No Controversy In The Patent Laws Is More In Need Of Resolution By This Court Than The Controversy Over The Synergism Requirement

1. The Failure Of The Court Of Appeals To Consider Synergism Conflicts With The Decisions Of This Court

To be patentably unobvious a mechanism made up of old elements must exhibit synergism. Generally speaking, this is an effect greater than the sum of effects taken separately.

This Court has long admonished that patents on combinations of old elements should be given particularly careful scrutiny. As was written in *A. & P. Tea Co.* v. *Supermarket Corp.*, 340 U.S. 147, 152 (1950):

> "Courts should scrutinize combination patent claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements. . . . A patent for a combination which only unites old elements with no change in their respective functions . . . obviously withdraws what already is known into the field of its monopoly and diminishes the resources available to skillful men."

This same concern motivated the decision in *Anderson's-Black Rock* v. *Pavement Co.*, 396 U.S. 57, 61 (1969), where this Court unanimously reversed a decision upholding a patent on a paving machine made up of old elements, and also defined synergism:

> "A combination of elements may result in an effect greater than the sum of the several effects taken separately. No such synergistic result is argued here."

In 1976, this Court decided *Sakraida* v. *Ag Pro, Inc.*, 425 U.S. 273, 282 (1976). Again, the Court unanimously reversed a decision upholding a patent on a combination of old elements, this time a water flush system for dairy barns. In so doing, the Court reversed rather than ignored a finding below that the flush system exhibited synergism:

> "We cannot agree that the combination of these old elements to produce an abrupt release of water directly on the barn floor from storage tanks or pools can properly be characterized as synergistic, that is, 'result[ing] in an effect greater than the sum of the several effects taken separately.' *Anderson's-Black Rock* v. *Pavement Co.*, 396 U.S. 57, 61 (1969). Rather, this patent simply arranges old elements with each performing the same function it had been known to perform, although perhaps producing a more striking result than in previous combinations. Such combinations are not patentable under standards appropriate for a combination patent. *Great A. & P. Tea Co.* v. *Supermarket Corp.*, *supra*; *Anderson's-Black Rock* v. *Pavement Co.*, *supra*."

The existence and importance of the synergism requirement was reaffirmed a few months later by Justice White in *Roanwell Corp.* v. *Plantronics, Inc.*, 429 U.S. 1004, 1006-09 (1976), a case involving a patent on a communication headset. Joined by Justice Brennan, who had authored the opinion in *Sakraida*, Justice White made the following observations in dissenting from a denial of certiorari:

> "Where, as here, the patent claim is for a combination of existing elements, '[c]ourts should scrutinize [such] claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements.' *Great A. & P. Tea Co. v. Supermarket Corp.*, 340 U.S. 147, 152 (1950). When a device con-

sists of a mere aggregation of segments of the prior art, there is an increased danger that a patent will withdraw into its monopoly what is already known and add nothing to the sum of useful knowledge. Thus, to be patentable, a combination of elements must produce something more than the sum of the pre-existing elements; there must be a synergistic result that is itself nonobvious. *Ibid. Anderson's-Black Rock* v. *Pavement Co.*, 396 U.S. 57, 61 (1969); *Sakraida* v. *Ag Pro, Inc.*, 425 U.S. 273, 282 (1976).

"The District Court here made no finding that the combination produced a synergistic or any other nonobvious result. This failure is not surprising. Each element in the combination had previously been used to perform the same function it now performs in respondent's device. Although no one had used the full combination of all elements, each element had been combined with one or more of the others in a variety of different headsets . . . .

* * *

"As a general proposition, I agree that our crowded docket does not permit review of every case where error has been committed; but this case seems to me to involve such a significant departure from longstanding principles of patent law that the petition for certiorari should be granted."

The hanger of the patent in suit was recognized by Warbern, Cut Rate, the District Court and the Court of Appeals to be a combination of old elements. Both Warbern and Cut Rate briefed the issue of synergism. Yet the Court of Appeals failed to address that issue. The conflict with the applicable decisions of this Court is clear.

2. The Failure Of The Court Of Appeals To Consider Synergism Conflicts With The Decisions Of Other Courts Of Appeals

The synergism requirement has not been applied with uniformity by the various Courts of Appeals. Some Courts have applied the requirement strictly, some have applied it reluctantly, some have ignored it, some have rejected it outright, and some have both applied and rejected it without explanation.

With the decision in this case, the Court of Appeals for the Second Circuit remains firmly entrenched in the last camp. Some prior decisions applied the synergism requirement, while others appeared to reject it. Compare *Champion Spark Plug Co.* v. *Gyromat Corp.*, 603 F.2d 361 (2 Cir. 1979), cert. denied 445 U.S. 916 (1980) with *Digitronics Corp.* v. *New York Racing Ass'n, Inc.*, 553 F.2d 740 (2 Cir. 1977) cert. denied 434 U.S. 860 (1977); see also *Leinoff* v. *Valerie Furs Ltd.*, 501 F.Supp. 720 (S.D.N.Y. 1980); *Brennan* v. *Mr. Hanger, Inc.*, 479 F. Supp. 1215 (S.D.N.Y. 1979); *Schimizzi* v. *Chrysler Corp.*, 462 F. Supp. 630 (S.D.N.Y. 1978).

The Court of Appeals for the Tenth Circuit has wavered similarly. In *Plastic Container Corp.* v. *Continental Plastics*, 607 F.2d 885 (10 Cir. 1979), cert. denied 444 U.S. 1018 (1980), the Court rejected the synergism requirement. But in a subsequent case, the Court retrenched, going so far as to admit that *Plastic Container* was in conflict with other law in the Circuit and leaving resolution of the synergism issue "for a later day." *Norfin, Inc.* v. *Intern. Business Machines*, 625 F.2d 357, 365-66 (10 Cir. 1980).

The state of the law in the Fifth and Sixth Circuits is also unclear. While the Courts of Appeals have paid lip service to the synergism requirement, they appear to have ignored it in actual analysis. E.g., *John Zink Co.* v. *National Airoil Burner Co.*, 613 F.2d 547 (5 Cir. 1980); *Smith* v. *Acme General Corporation*, 614 F.2d 1086 (6 Cir. 1980).

In any event, the failure in this case to consider the synergism requirement is clearly in conflict with recent decisions in the Eighth and Ninth Circuits. E.g., *Hammerquist* v. *Clarke's Sheet Metal, Inc.*, 658 F.2d 1319, 1323n.7 (9 Cir. 1981); *Reinke Mfg. Co., Inc.* v. *Sidney Mfg. Corp.*, 594 F.2d 644 (8 Cir. 1979).

These decisions, in turn, are clearly in conflict with the decision of the Court of Appeals for the Seventh Circuit in *Republic Industries, Inc.* v. *Schlage Lock Co.*, 592 F.2d 963 (7 Cir. 1979), where the synergism requirement was flatly rejected. The Seventh Circuit was joined in July 1981 by the Court of Appeals for the Third Circuit. In *Rengo Co. Ltd.* v. *Molins Mach. Co.*, 657 F.2d 535 (3 Cir. 1981), the Court vacated a finding of patent invalidity and criticized the District Court for applying the synergism requirement, citing *Republic Industries* with approval.

3. This Court Has Been Asked To Resolve The Synergism Controversy Many Times Over The Past Five Years

The growing chaos in the Circuits over the synergism requirement has prompted numerous litigants to seek review by this Court. From the beginning of 1977 through the end of 1980, at least seventeen petitions for writ of certiorari have attacked the synergism requirement or sought its application. *

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* *Sims* v. *Mack Trucks Corp.*, Docket No. 79-1219 (petition filed January 11, 1980); *Champion Spark Plug Co.* v. *Gyromat Corp.*, Docket No. 79-1058 (petition filed January 5, 1980); *Osmose Wood Co.* v. *Los Angeles*, Docket No. 79-812 (petition filed November 23, 1979); *Satco, Inc.* v. *Transequip, Inc.*, Docket No. 79-50 (petition filed July 11, 1979); *Herschersohn* v. *Corona Hair Net Corp.*, Docket No. 78-1901 (petition filed June 22, 1979); *Hesston Corp.* v. *Deere & Co.*, Docket No. 78-1831 (petition filed June 6, 1979); *Groyhill, Inc.* v. *AMF Inc.*, Docket No. 78-1615 (petition filed April 23, 1979); *Manufacturers Systems, Inc.* v. *ADM Industries, Inc.*, Docket No. 78-1601 (petition filed April 19, 1979); *Scholl Inc.* v. *S.S. Kresge Co.*, Docket No. 78-810 (petition filed November 14, 1978); *Clark Equip. Co.* v. *Kellar*, Docket No. 77-1640 (petition filed May 18, 1978); *Celebrity, Inc.* v. *A & B Instrument Co.*, Docket No. 77-1628 (petition filed May 16, 1978); *Lahman Mfg. Co.* v. *Farmhand, Inc.*, Docket No. 77-1421 (petition filed April 6, 1978); *A.M. Namirowski* v. *Nabisco, Inc.*, Docket No. 77-1198 (petition filed February 24, 1978); *Marco Dental Products, Inc.* v. *Austin*, Docket No. 77-1046 (petition filed January 24, 1978); *Globe Linings, Inc.* v. *City of Corvallis*, Docket No. 77-554 (petition filed October 13, 1977); *National Micronetics, Inc.* v. *North American Philips Corp.*, Docket No. 77-129 (petition filed July 23, 1977); *Systematic Tool & Machine Co.* v. *Walter Kidde & Co.*, Docket No. 77-75 (petition filed July 13, 1977).

This is at least the seventh such petition to be filed with this Court in 1981. As far as we are aware, no action has yet been taken on four of these petitions.*

The Court can draw its own conclusions from this flood of petitions. At the very least, they are testimony to the importance of the synergism issue and the highly unsettled state of the law.

This case is an excellent vehicle for resolving the debate over synergism. Compared to the garment hanger of the patent in suit, the paving machine in *Anderson's-Black Rock* and the water flush system in *Sakraida* were technological tours de force. As discussed below, no feat of imagination could imbue the hanger of the patent in suit with synergism.

4. The Court Of Appeals Could Not Have Found Synergism In This Case

Set forth below is a side-by-side comparison of the hanger of the prior art design patent and the hanger of the patent in suit:

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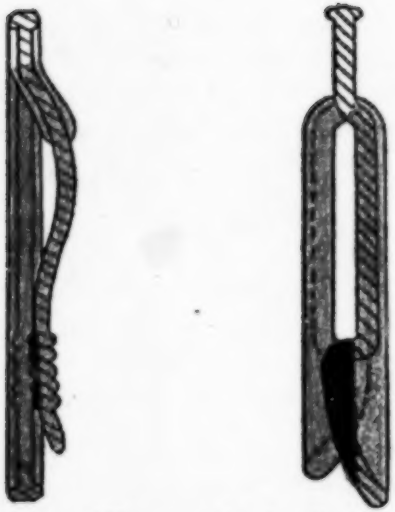
* Other than this petition, the petitions now pending before this Court include *Molins Machine Co.* v. *Rengo Co. Ltd.*, Docket No. 81-602 (petition filed September 25, 1981); *Int'l Harvester Co.* v. *Deere & Co.*, Docket No. 81-498 (petition filed September 11, 1981); *NDM Corporation* v. *Hayes Products, Inc.*, Docket No. 81-194 (petition filed July 23, 1981). Other petitions were filed in these actions: *Vinyl Prod. Mfg., Inc.* v. *Calco-Hawaiian Import-Export Co.*, Docket No. 81-73 (petition filed July 14, 1981); *Cole* v. *Continental Oil Co.*, Docket No. 80-2037 (petition filed May 12, 1981); *AB Turn-O-Matic* v. *Tretner*, Docket No. 80-1497 (petition filed March 4, 1981).



Aside from irrelevant differences in detail, it is apparent that the two hangers differ in only one significant respect: the several small protrusions on each gripping surface of the design patent hanger (emphasized in red) have been replaced by a single, much larger protrusion on each gripping surface of the hanger of the patent in suit (also emphasized in red). Because of this difference, the hanger of the patent in suit holds garments more securely than the hanger of the design patent.

But is this result synergistic? Is it unobvious, or even mildly surprising? Will an automobile on a hill be kept in place more effectively by traffic control bumps than by a brick wall? The most rudimentary mechanical intuition—indeed, even ordinary common sense—dictates the same negative answer to each of these questions. Warbern's president recognized that the hanger of the design patent "needed more gripping or more surface" (65a). That the hanger gripped better when more surface was added was a foregone conclusion, not synergism.

B. By Failing To Judge The District Court's Findings By The Standard Of Clear Error, The Court Of Appeals Made Findings So Far At Odds With The Patent Laws That This Court Should Exercise Its Supervisory Power

Before finding the patent in suit invalid and not infringed, the District court heard extensive testimony directed to those issues (principally by Warbern witnesses) and inspected numerous physical samples of various hangers. The District Court's opinion, as might be expected, reflects a thorough understanding of the technology, the relevant patent claims, and the nuances argued by the parties.

The Court of Appeals, apparently influenced by Warbern's claims of commercial success and the technical jargon of the patent claims, reviewed the case *de novo*—an unmistakable contravention of the mandate of Rule 52(a), F.R.Civ.P., that "[f]indings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses." The errors committed by the Court of Appeals in this case confirm the wisdom of Rule 52(a).

Because of its errors, the Court of Appeals upheld an unjustified monopoly enjoyed by Warbern at the expense of numerous competitors in the garment hanger trade. Even worse, the Court of Appeals upheld an extension of that unjustified monopoly beyond the literal scope approved by the Patent Office. No direct infringement of the claims was found by the Court of Appeals. Rather, the coverage of the patent was extended beyond the claims because the Court found that Cut Rate's hanger was somehow equivalent to Warbern's patented hanger. The specific errors in the validity and infringement holdings of the Court of Appeals are discussed below.

1. The Validity Finding

The Court of Appeals found the patent in suit valid because it disagreed with the finding of the District Court that the patented hanger was obvious. In so doing, the Court of Appeals mistook form and verbiage for substance.

Given the hanger of the design patent, and given also the knowledge that it would not adequately grip garments when jostled, common sense dictated two obvious avenues for improvement: either tightening the grip or improving the protrusions. Warbern's president came to precisely this conclusion: "It needed more gripping or more surface" (65a). He explored the latter option, replacing the small protrusions on each gripping surface of the design patent hanger with a single larger protrusion. The problem was obvious, the solution was obvious, and Warbern's routine pursuit of the obvious was unpatentable.

The finding to the contrary by the Court of Appeals is a study in confusion:

> "The evidence establishes that the Levine patent introduced a significant advance in the art of hangers and clipping devices. The hanger simultaneously employed longitudinally spaced fingers that were laterally offset by the garment (rather than an independent supporting line) so as to extend to opposite sides of an axial plane with spoonshaped ends that overlapped and shoulders at ends of the fingers. The gripping mechanism of the hanger did not rely solely on tension to retain the garments, but introduced the shoulders and the overlapping fingers to perform this function. Neither of these devices is suggested in the prior art" (13a).

As is apparent, the simple has been made complex. By way of translation, "spoonshaped end" refers to the end of each finger, including the single large protrusion, "overlapping fin-

ger" is a reference to the same thing, and "shoulder" refers to the upper surface of each protrusion.

The key premise of this holding is that "the gripping mechanism of the hanger did not rely solely on tension to retain the garments." However, neither did the hanger of the design patent. Both tension *and* a gripping mechanism of several small protrusions were used to retain a garment. Nevertheless, the Court of Appeals found, without any support in the record and in blatant disregard of physical reality, that the hanger of the design patent made "use solely of a gripping mechanism based on the resiliency of the material" (12a). The Court of Appeals' validity holding falls with this premise.

2. The Infringement Finding

As noted, the Court of Appeals did not find that Cut Rate had infringed the literal claims of the patent in suit. Infringement was found on the theory that Cut Rate's hanger was an equivalent of the patented hanger. This finding is permeated with error.

The Cut Rate hanger undeniably does not have each gripping surface offset from the main hanger web, as required by the claims. The District Court so found. The Court of Appeals ignored that finding.

The only infringement issue confronted by the Court of Appeals relates to the location of a particular vertical plane. The patent claims require that each gripping surface be offset from this plane, and most of the claims unambiguously require that the plane be that defined by the main body or web of the hanger. The District Court concluded that this limitation may well have been added to the claims so as to distinguish the patented hanger from the hanger of the design patent:

> "No doubt the function sought to be encompassed by the spoonshaped end construction is independent of lateral offsetting from the web of one finger against one or two other fingers, and can be as well performed if the 'inner' and 'outer' spoonshaped ends are formed on the web rather than on laterally offset fingers. It must be borne in mind, however, that although the patentees did not draw their own design patent to the attention of the Patent Office, they must have had it—indeed, were shown to have had it—well in mind in moving on to the hanger of the patent and, therefore, to the patent application, and they may well have been conscious that they should not so draft their specification and claims that the gripping mechanics amounted only to an improvement on a detail of the gripping means of their own design patent" (50a).

On this and other bases, the District Court found that the Cut Rate hanger—which was designed along the lines of the hanger of the design patent—did not infringe the patent in suit and could not be considered the equivalent of the claimed hanger.

The Court of Appeals ignored the underlying findings of the District Court. Based on its own analysis of the "functional significance" of the location of the plane as opposed to the reasons why that limitation was in the claims, the Court of Appeals found that Cut Rate's hanger was the functional equivalent of Warbern's. The central flaw in this analysis, as the District Court implicitly recognized, is that it also makes the hanger of the design patent an infringement or very close to an infringement of the patent in suit, evicerating the finding of unobviousness by the Court of Appeals.

CONCLUSION

The unsettled status of the synergism requirement is an embarrassment to the principle of nationwide uniformity of federal law. This Court should grant this petition for a writ of certiorari and resolve the controversy once and for all.

Respectfully submitted,

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APPENDIX

Court of Appeals Opinion, Filed June 5, 1981

UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT

Nos. 177, 281—September Term, 1980

(Argued February 18, 1981 Decided June 5, 1981)

Docket No. 78-7473, 96

WARBERN PACKAGING INDUSTRIES, INC.,

Plaintiff-Appellant-Cross-Appellee,

—v.—

CUT RATE PLASTIC HANGERS, INC.,

Defendant-Appellee-Cross-Appellant.

Before:

VAN GRAAFEILAND and KEARSE, *Circuit Judges,*
and STEWART, *District Judge**

* Hon. Charles E. Stewart, Jr. of the Southern District of New York, sitting by designation.

Court of Appeals Opinion, Filed June 5, 1981

Appeal from a decision of Judge Dooling (E.D.N.Y.) invalidating plaintiff's patent for a garment hanger and holding that defendant's garment hanger did not infringe plaintiff's patent. Cross-appeal from Judge Dooling's order denying defendant's request for attorney's fees on the ground that this is an "exceptional case" under 35 U.S.C. § 285.

Reversed as to validity and infringement, affirmed as to attorney's fees, and remanded.

JAMES K. SILBERMAN (Blum, Kaplan, Friedman, Silberman & Beran, New York, N.Y.) *for Plaintiff-Appellant-Cross-Appellee*

JEROME BAUER (Bauer & Amer, P.C., Mineola, New York) *for Defendant-Appellee-Cross-Appellant*

STEWART, *District Judge*:

This is a patent infringement case in which plaintiff-appellant Warbern Packaging Industries, Inc. ("Warbern") seeks damages resulting from the alleged infringement of its now expired patent, No. 3,047,196 (the "Levine patent"), by defendant-appellee Cut Rate Plastic Hangers, Inc. ("Cut Rate"). Plaintiff-appellant appeals from a judgment of the District Court for the Eastern District of New York, Dooling, J., dismissing plaintiff's action on the ground that its patent was not infringed by Cut Rate and, in any case, the patent is invalid. Cut Rate cross

appeals from the judgment of the District Court denying attorneys' fees under 35 U.S.C. § 285.

I.

Warbern, a manufacturer and seller of plastic garment hangers, is the owner of the patent in suit, which introduced the concept of "ship-on" hangers to the market. Prior to the development of this patent, garments that hung by the waistband were shipped largely on wire hangers and transferred to more expensive hangers in the store, thereby requiring significant expenditures on labor. Although one-piece plastic hangers existed prior to the patent in suit, they lacked the crucial functional element—an effective gripping mechanism. Plaintiff's patent introduced such a mechanism by employing three plastic fingers with spoonshaped ends at each end of the hanger web that, when laterally offset, created a shoulder to hold garments securely. (*See* diagram, appendix 1). These hangers did retain garments throughout the marketing process, enabling the use of the same hanger from the point of origin to the point of sale.

Defendant-appellee Cut Rate manufactures and sells a ship-on hanger that performs the same function as the product set forth in the Levine patent. The Cut Rate hanger, "instead of having distinct fingers surrounding a middle finger at each end of the hanger, presents a U-shaped downward extension of the web of the hanger surrounding a laterally offset finger at each end . . . . [O]nly the middle finger at each end of the accused hanger is 'laterally offset'." *Warbern Packaging Industries, Inc. v. Cut Rate Plastic Hangers, Inc.*, No. 74-1761, slip op. at 34 (E.D.N.Y. July 25, 1978). (*See* diagrams, appendices 2 and 3).

Court of Appeals Opinion, Filed June 5, 1981

The circumstances leading up to the instant litigation are as follows. The inventors of the Levine patent, Bernard B. Levine and Robert Phillips, first obtained a design patent which issued on July 4, 1961.[1] (*See* diagram, appendix 4). The design patent introduced a unitary plastic hanger, but did not include a functional gripping mechanism. It proved to be ineffective for securely holding garments with waistbands and was never marketed.

About four months after obtaining the design patent, Levine and Philips filed an application for the Levine patent, which issued on July 31, 1962. The patent contained six claims, four of which are the subject of this litigation.[2] The patented hanger was developed and marketed in 1962.

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1 A design patent has been defined to include an article that is ornamental, a product of aesthetic skill and artistic conception. *Hygienic Specialties Co. v. H.G. Salzman Inc.*, 302 F.2d 614, 618 (2d Cir. 1962).

2 Plaintiff has stipulated that claims 2 and 5 are not infringed by defendant, and no claim will be made in this action for the infringement of these claims.

The claims that remain in issue are:

> 1. An integrally formed garment hanger formed of a molded resilient thermoplastic comprising a horizontally extending web, a hook connected to the web intermediate the ends thereof, and a series of depending fingers connected to each end of said web, said series of depending fingers including longitudinally spaced apart inner, outer and middle fingers, each of said fingers being laterally offset with respect to the central axial plane of said web, and each of said fingers having a spoonshaped end whereby the spoonshaped end of adjacent fingers face and extend across said axial plane so that a garment slipped up between said fingers is frictionally retained therebetween.
>
> 3. A garment hanger integrally formed from a thermoplastic material comprising a transversely extending web, a hanger means connected to said web adaptable for suspending said garment hanger from a support, and means depending from said web for

[F]or a considerable time sales, while not unimpressive, did not reach the scale which they later attained. However, after a sale was made to the manufacturer of a popular and good quality brand named line of clothing, the sales began to increase very rapidly and by the end of 1977, the evidence indicates, between 225 and 250 million of the hangers had been sold. Warbern was not without competition for the ship-on market, but the evidence indicates that the hanger of the patent has established a clear dominance in the market for ship-on hangers for garments which can be hung by the waistband.

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frictionally retaining a garment to said hanger, said means including a two point support for said garment, each point of support including at least a pair of depending fingers, each finger being laterally offset so as to extend to opposite sides of an axial plane of said hanger, said fingers having spoonshaped ends, said spoonshaped ends having opposed face portions projecting laterally of their respective fingers to define a shoulder spaced below the offset connection of said fingers to said web, and the faces of said spoonshaped ends extending across the axial plane of said hanger.

4. The invention as defined in claim 3 wherein one of said fingers is longer than the other, and the opposed curvature to define therebetween a path which facilitates the insertion of a garment therebetween.

6. An integrally formed garment hanger formed of a molded resilient thermoplastic material comprising a transversely extending web, a hanger having a hook end and a base end connected to said web midway between the ends thereof, a series of three spaced apart resilient fingers connected to each end of said web, each series of fingers including an outer, middle and inner finger, said inner and outer fingers being laterally offset to one side of the axial plane of said web, and said middle finger being laterally offset to the other side of said axial plane, each of said fingers having an intermediate portion and a spoonshaped tip end, and said spoonshaped tip end of each finger having a contoured face portion extending across the axial plane of said web so that a garment slipped between said fingers is frictionally retained therebetween, and one of said fingers of each series being longer than the other finger of said series, and the opposed face portions of said spoonshaped tip ends having convex curvatures to define therebetween a path which facilitates the insertion of a garment therebetween.

Slip op., *supra*, at 12.

Not unpredictably, other hanger manufacturers began selling products similar to the Levine patent. Since 1965, plaintiff has prosecuted alleged infringers of the Levine patent. Six cases involving claims of infringement of plaintiff-appellant's patent resulted in consent judgments, most of which included an admission by the accused company that the Levine patent was valid and infringed by the accused hanger.[3] Only one case involving the Levine patent, other than the instant case, was actually litigated. In an action against Huron Machine Products, Inc., which manufactured a product similar to the Cut Rate hanger, a permanent injunction was entered declaring the Levine patent to be valid and finding that Huron Machine Products infringed the patent by manufacturing and selling a hanger like the Cut Rate hanger, with the U-shaped loop. This decision was affirmed in *Huron Machine Products, Inc. v. A. & E. Warbern, Inc.*, 615 F.2d 222 (5th Cir. 1980).

II.

The court below found that the Levine patent was not infringed by the Cut Rate hanger, and that the Levine patent is invalid. This holding was based substantially on the court's consideration of the significance of the design patent in determining the obviousness of the Levine

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3 Plaintiff argued in the district court that the consent judgment entered on February 3, 1970 against Yankee Plastics Inc. is binding as res judicata as to defendant-appellee because its president, Jack Zuckerman, developed the Yankee hanger that was enjoined by the judgment, and was an officer of Yankee Plastics. The district court found and appellant does not seriously dispute that Zuckerman is not bound because he was not an employee at the time the judgment against Yankee Plastics was entered.

patent. After discussing the history of the design patent and the subsequent development of the patent in suit, the court held that the design patent was prior art to be considered in determining obviousness. Plaintiff urged that the reasoning in *Illinois Tool Works, Inc. v. Solo Cup Co.*, 461 F.2d 265 (7th Cir.), *cert. denied*, 407 U.S. 916 (1972) should be applied. There, the Seventh Circuit relied on 35 U.S.C. § 102(b) to hold that, where one's own invention is disclosed to the public within one year of a subsequent invention, one's own prior invention does not bar the subsequent patent.

The district court in the instant case rejected the reasoning of *Solo Cup* because, in its view, "if each of the patents was not patentable over the other (though one may have dominated the other) the patentee was obtaining a monopoly for longer than the patentable period." Slip op. at 22. The court instead adopted the reasoning of an older line of cases which held in effect that "[t]o support a separate patent, an improvement must meet all of the statutory requirements of patentability." *Application of Jaeger*, 241 F.2d 723, 726 (C.C.P.A. 1957). In other cases, courts analyzed the problem in terms of the prohibition against double patenting, which the district court here defined to include obtaining a second patent claiming an invention which differs from an already patented invention only in some unpatentable particular. *Application of Ornitz*, 347 F.2d 586 (C.C.P.A. 1965). The only limit on double patenting which the district court here was willing to recognize was that set forth in *Turzillo v. P & Z Mergentime*, 532 F.2d 1393 (D.C. Cir.), *cert. denied*, 429 U.S. 897 (1976), which held that the later patent need not show an inventive advance over what was disclosed but not claimed in the earlier patent.

The court then went on to hold that:

> The three figures of the [design] patent clearly reveal the mechanical means by which the device is to function. The ornamental design expresses completely the function of the device. It therefore not only claims against all the world the ornamental design which it displays but discloses and publishes to all the world the hanger function and means expressed in the design.

Slip op., *supra,* at 30-31.

Although not specifying the scope of the prior art, the court included in its discussion of prior art patents of hangers, clothespins and clipping devices, and found that:

> The prior art did not show any adequate retaining means that were wholly integral with a hanger but it was certainly alive with hints and suggestions pointing to the solution that the patentees chose. . . . The significance of the hanger art is not that it, unaided, suggests the device of the patent, but that, addressed to workers who had already come the distance represented by their design patent and who were seeking gripping means, these gripping means used in the hanger art were suggestive of ready adaptation to the patentees' integrally formed hanger.

Slip op., *supra,* at 53-54. Thus, the court held that, viewed against the prior art, the Levine patent was not sufficiently distinct from the hanger of the design patent to avoid the claim of obviousness. Although the court recognized the "commercial success and acquiescence in the patent in the face of vigorous enforcement," it concluded that "the subject matter as a whole would have

been obvious at the time of the invention to a person having ordinary skill in the art to which the hanger belongs."

With respect to infringement, the district court found that:

> Despite the differences in construction of the spoon-shaped elements in defendant's accused hangers the elements are those of the patent claims; the tip ends of the fingers of the accused hanger are in the functionally significant respect spoonshaped; they form a holding shoulder, and the opposed faces of the ends define an inverted V guide for the insertion of a garment between the "fingers", utilizing the spoonshaped contours of the "ends" to facilitate the insertion of the garment.

Slip op., *supra*, at 44-45. Nevertheless, the court held that the defendant's hanger does not infringe the Levine patent because it does not have all three fingers laterally offset to an axial plane of the web. The court also held that the offsetting of fingers to opposite sides of the hanger to be so critical that it does not admit of substitution of a functional equivalent. On this basis, the court rejected the application of the doctrine of equivalence and held that plaintiff's patent was not infringed.

For the reasons set forth below, we hold that the Levine patent was valid and infringed by the Cut Rate hanger and the judgment of the district court must be reversed.

III.

The Validity of the Patent

The district court found that Warbern's patent is invalid because it is obvious in light of the prior art, under 35 U.S.C. § 103. Section 103 provides:

> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

As the Supreme Court held in *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966):

> [T]he scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.

A patent is presumed valid, and the burden of establishing invalidity of a patent rests on the party asserting its invalidity. 35 U.S.C. § 282 (1976).

We must first consider the scope and content of the prior art. The district court relied heavily on the design patent to support its conclusion of obviousness, and appellees echo this reliance in distinguishing the instant case from *Huron Machine Products, Inc. v. A. & E. Warbern, Inc., supra*. The parties vigorously dispute the standard to be applied in determining whether and to what extent an earlier patent is to be considered as prior art in determining the validity of a later patent filed by the same inventor within a year of the earlier patent. We have concluded that appellants' patent is not obvious under either of the approaches urged by the parties. Therefore, it is not necessary to reach the issue of the extent to which the design patent must be considered as prior art in determining the validity of the Levine patent.

As we discussed earlier, the prior art considered at trial consisted of patents on clothespins, clips and hangers. With respect to the state of the hanger art prior to the design patent and the Levine patent, the prior art consisted of wire, wood or plastic hangers with a separate gripping device consisting of a clip with springs or a clamp that employs the concept of tension. Scurrah, No. 2,408,344 consisted of a clothes hanger the horizontal bottom of which provided a series of four lugs, separately mounted on the hanger which employed pins and springs to provide the gripping means. Bacica, No. 2,522,595, granted over Scurrah, and Colwell, No. 2,401,413, employ hanger clips at each end of the frame which also rely on springs to provide the gripping means. Anderson, No. 2,466,195 and Fortner, No. 2,633,277, present clamps to provide tension necessary to retain a garment.

With respect to the clothespin art, the patents included as prior art consist of clamps or finger devices that employ primarily tension produced by insertion of the clothesline as the gripping means. Ryan, No. 1,654,756, Caldwell No. 2,209,318, Becker, No. 2,600,091, and Atkins, No. 2,452,175, are attached over both the garment and the clothesline, so that the clothesline as well as the clip is employed to suspend the garment. Witt, No. 1,314,998, employs a spring arm as a gripping device; Romano, No. 2,215,336, has a wire clamping means mounted on the hanger. Graham, No. 1,252,262, shows wire clamps with traverse inward hands forming gripping jaws that are opened by the insertion of the clothesline.

Neither party seriously disputes that uniting a holding device to a hanger was well-established in the art. However, we find nothing in the prior art that discloses an effective gripping device that could be incorporated into a unitary plastic hanger that could be used as a ship-on hanger. The design patent, des. 190,843, does not disclose any significant advance in a gripping mechanism, but rather makes use solely of a gripping mechanism based on the resiliency of the material. Although the design patent discloses the concept of a unitary plastic garment hanger, it does not introduce any new functional mechanism to retain garments securely. In fact, the design patent's apparent incorporation into the integrated structure of the gripping mechanisms disclosed in the prior art failed to achieve an effective gripping mechanism.

The district court found that the design patent displayed the goal of achieving an adequate retaining means that was wholly integral to the hanger, and then concluded in effect that this intention disclosed the most significant element of the patent. In our view, the gap between the goal of an effective gripping mechanism and

the actual functioning of the design patent warrants the opposite conclusion. It provides further indication of the failure of past attempts to develop an effective gripping mechanism—the most important functional element of the Levine patent, and supports our conclusion that the creation of the Levine patent required the exercise of inventive skill.

The district court also appears to have held appellant to a higher standard of nonobviousness because of its involvement with the design patent. Slip op. at 53-54. The determination that the design patent required skill to invent does not affect our judgment of the degree of skill necessary to develop the gripping mechanism in the Levine patent.

The evidence establishes that the Levine patent introduced a significant advance in the art of hangers and clipping devices. The hanger simultaneously employed longitudinally spaced fingers that were laterally offset by the garment (rather than an independent supporting line) so as to extend to opposite sides of an axial plane with spoonshaped ends that overlapped and shoulders at ends of the fingers. The gripping mechanism of the hanger did not rely solely on tension to retain the garments, but introduced the shoulders and the overlapping fingers to perform this function. Neither of these devices is suggested in the prior art. As the district court noted in *Huron Machine Products, Inc. v. A. & E. Warbern, Inc., supra,* the Warbern patent "represented the first (and only) one piece, integrally formed, disposable, plastic garment hanger which could securely hold a garment with a waistband, such as a skirt, during packing, shipping, display and sale of the garment." 615 F.2d at 225.

Consideration of secondary factors provides further support for our conclusion that the patent was non-obvi-

ous. The record clearly establishes and the district court found that "[t]he secondary factors, commercial success and acquiescence in the patent in the face of vigorous enforcement have been amply made out. The evidence indicates that the need for such an article antedated the invention of the hanger in suit," slip op. at 51-52. Prior to the introduction of the patented hanger, in shipping the goods, it was necessary to use wire hangers to which garments were pinned. The ship-on hanger introduced a significant savings in time, labor and expense. The record shows that sales of the patented hanger grew from about 30,000 units in 1962 to about 30 million units in 1976.

We conclude that defendant-appellee failed to demonstrate that the Levine patent was obvious, and find that the district court's decision invalidating the patent is clearly erroneous.

Infringement

We must, then, determine whether the Cut Rate hanger infringes the Levine patent. Infringement is determined by reference to claims construed in light of the specification and drawings with a view to ascertaining the invention. *United States v. Adams,* 383 U.S. 39, 48-49 (1966). Under the doctrine of equivalents, there is infringement if the allegedly infringing device "performs substantially the same function in substantially the same way to obtain the same result" as the challenging device. *Graver Tank & Manufacturing Co. v. Linde Air Products Co.,* 339 U.S. 605, 608 (1950) (on rehearing).

We conclude that the Cut Rate hanger did infringe plaintiff's patent. The record provides substantial support for the district court's findings that the U-shaped extension between the outer fingers at the end of the Cut Rate

hanger did not "obliterate the existence of the functional fingers." Slip op., *supra,* at 42. The district court properly found that the two hangers were similar with respect to the longitudinally spaced fingers, the spoonshaped tip ends, the holding shoulder and the opposed faces of the ends. *See* slip op., *supra,* at 44-45. Thus, the Cut Rate hanger incorporates all of the operatively significant elements of the patent in suit: the spoonshaped tips, the extension of the spoonshaped tips across the line where the garment is inserted, thereby forming shoulders, and the supporting shoulders. The patent in suit is thereby infringed.

The district court concluded to the contrary, despite its factual findings, and held that the Cut Rate hanger does not infringe plaintiff's patent because it does not have all three fingers laterally offset from an axial plane of the web. "Spoonshaped protuberances formed on the web itself simply are not formed on fingers laterally offset from the web." Slip op., *supra,* at 38. The trial court concluded that the offsetting of fingers to opposite sides of the hanger to be so critical that it does not admit of substitution of a functional equivalent.

The district court's emphasis on the locus of the axial plane and the mobility of the fingers in our view was misplaced. First, the language of the patent claims does not necessarily give rise to the interpretation adopted by the trial court. The trial court, noting that an axial plane need not be located within the web, focused on the language in all claims but claim 3 that the fingers be laterally offset from the central axial plane of the web or "the axial plane of the web." The court inferred from this language that "[t]hroughout the insistence is upon fingers that are laterally offset oppositely to each other and to the web or [sic] the hanger." *Id.* at 48.

This inference is not warranted either by the language of each of the claims or by the doctrine of functional equivalents. The language of claim 3 which refers to "an axial plane," is somewhat ambiguous, and at the very least is not inconsistent with a less restrictive interpretation of the locus of the axial plane. The language could be interpreted to require only that the fingers be displaced from the central line, not necessarily that each finger move. Moreover, plaintiff's specification includes a directive that "the invention is not to be taken as limited to all of the details thereof as modifications and variations thereof may be made without departing from the spirit or scope of the invention." This language supports appellant's arguments that, by locating the axial plane within the web, they were merely disclosing the best method of implementing their invention, which is all they are required to do under 35 U.S.C. 112. It is not disputed that the locus of the axial plane has no functional significance other than determining whether the garment will hang straight. By providing for displacement of the fingers around a central axial plane, a garment on the Levine hanger does hang straight, while on the Cut Rate hanger it hangs out of plumb.

This leads us to consider the functional significance, if any, of the locus of the axial plane, so that we can determine whether the two hangers "do the same work in substantially the same way, and accomplish the same result." *Graver Tank & Mfg. Co. v. Linde Air Products Co., supra,* 339 U.S. at 608. As the trial court correctly stated, this involves a search for a definition of what the discovery of the patentee really was.

The "axial plane" is an imaginary plane located at the effective center line of function. It is, in effect, a concept to aid in understanding the mechanics of the gripping

device. Its functional significance is not dependent on whether all the fingers move to either side of it, or whether it is located centrally. Rather, its importance is that, because of the spoonshaped tips, each finger extends *across* the axial plane, the effective center line of function, thereby providing an effective means of support. This element is clearly present in the Cut Rate hanger.

Therefore, the district court placed undue emphasis on the locus of the axial plane, and failed to recognize the significance of the gripping device introduced by the Levine patent. We hold as did the Fifth Circuit in *Huron Machine Products, Inc. v. A. & E. Warbern, Inc., supra,* that the accused hanger infringed the Levine patent.

IV.

Cross-Appeal

Defendant-cross-appellant appeals the decision of the district court denying defendant's request for attorneys' fees pursuant to 35 U.S.C. § 285 on the ground that this is an "exceptional case." The judgment denying attorney's fees is affirmed in light of our decision reversing the judgment in defendant's favor.

Having found that plaintiff-appellant's patent is valid and infringed, we reverse the judgment and remand the case to the trial court for further proceedings on the issue of damages.

Court of Appeals Opinion, Filed June 5, 1981

Appendix 1

FIG. 1

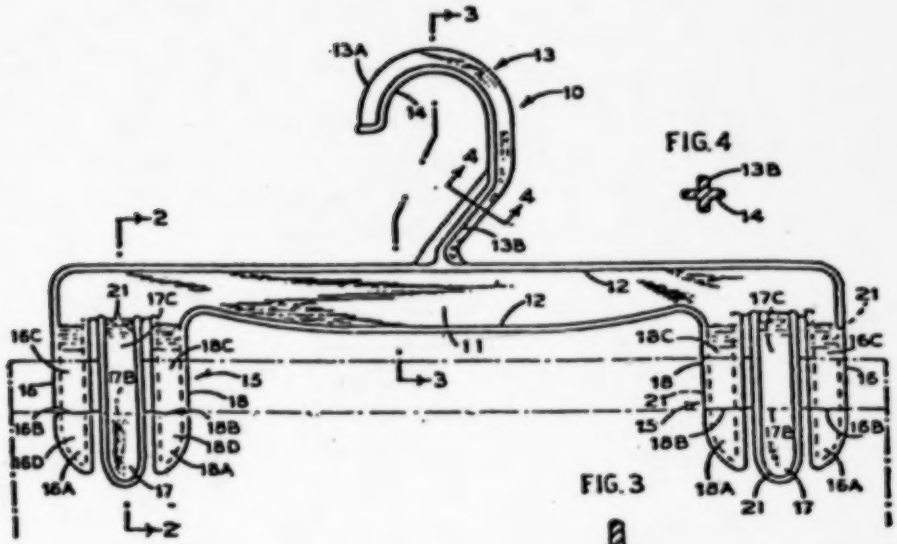


FIG. 4

FIG. 3

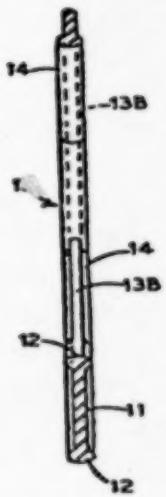
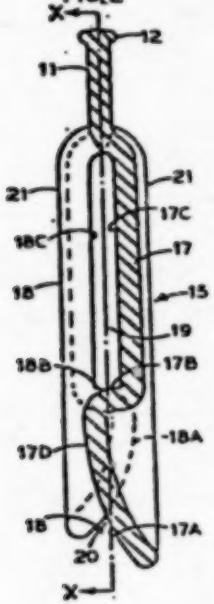


FIG. 2



INVENTORS
Bernard B. Levine
Robert Phillips

BY Irving Seidman
ATTORNEY

Appendix 2

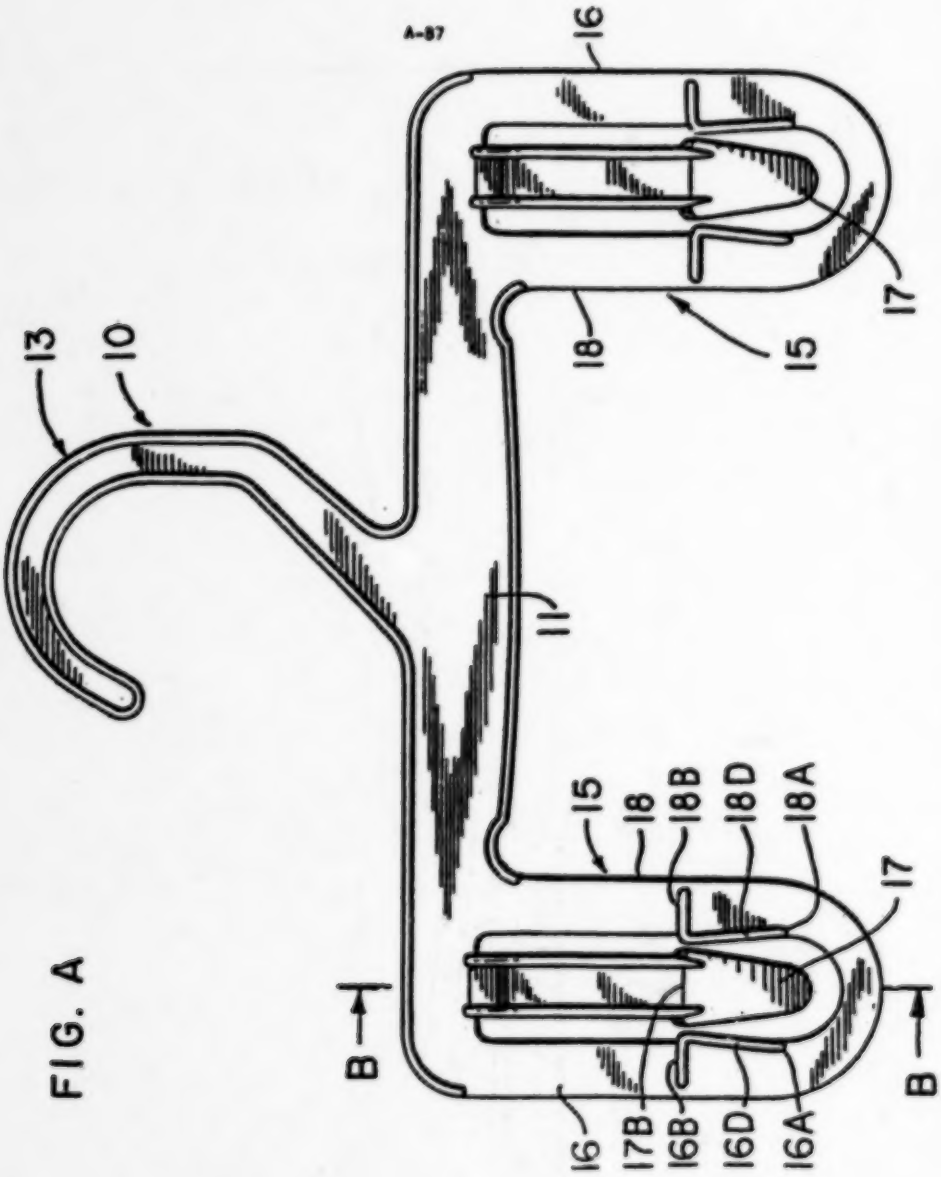
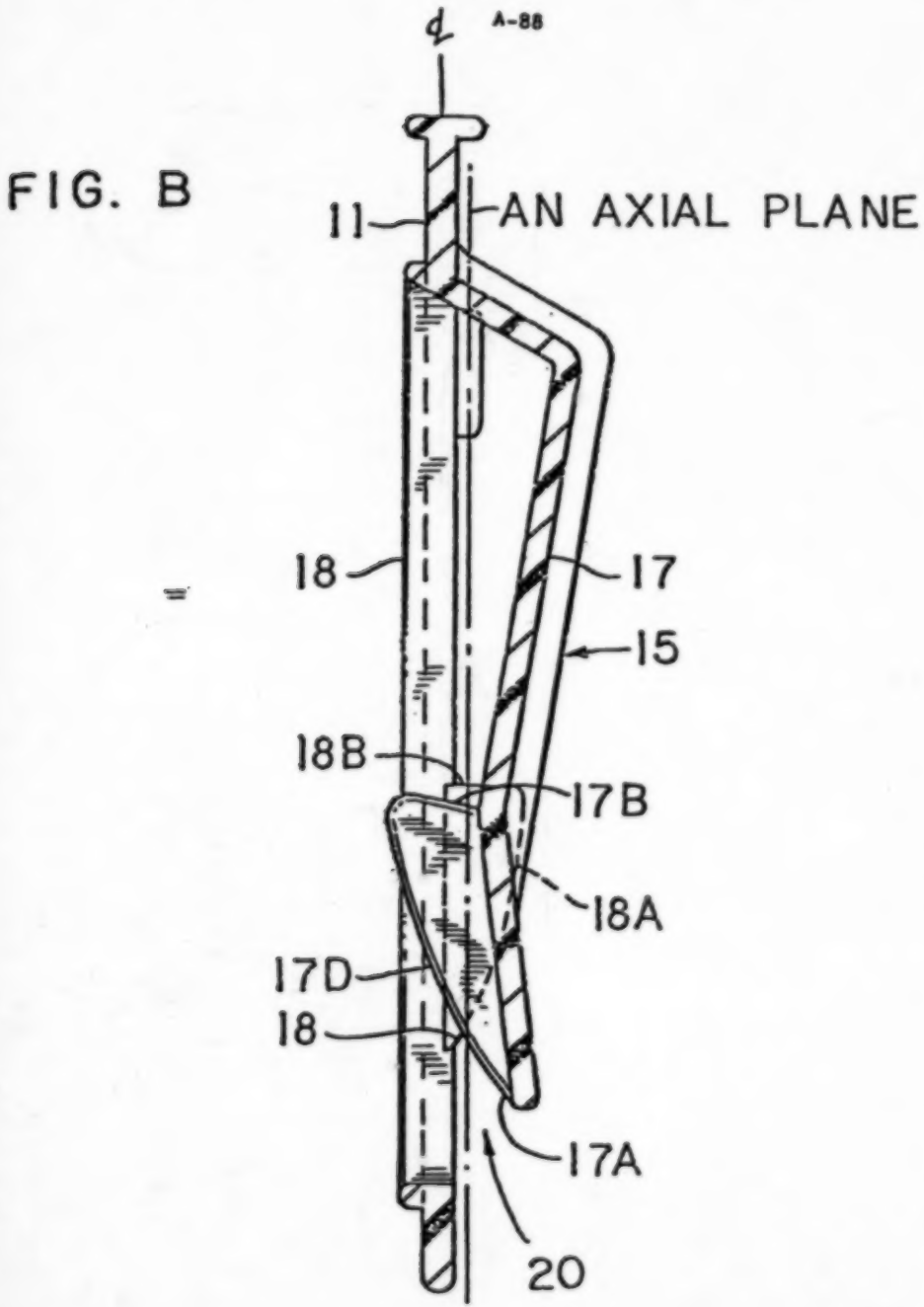


FIG. A

Appendix 3



Appendix 4

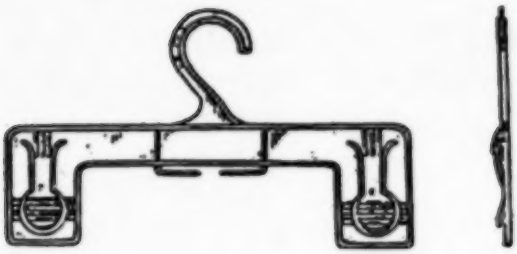


Fig. 1.

Fig. 2.

Fig. 3.

FIG. 1 is an elevational view of one side of a hanger for a skirt, or the like, showing our new design;

FIG. 2 is an end elevational view thereof; and

FIG. 3 is an elevational view taken from the side opposite that shown in FIG. 1.

We claim:

The ornamental design for a hanger for a skirt, or the like, substantially as shown.

References Cited in the file of this patent

UNITED STATES PATENTS

D. 146,261	Mack	Jan. 21, 1947
648,534	Seger	May 1, 1900
2,515,544	Artley	July 18, 1950

District Court Opinion, Filed July 26, 1978,
As Amended August 28, 1978

No. 74 C 1761

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

WARBERN PACKAGING INDUSTRIES, INC.,
Plaintiff,

against

CUT RATE PLASTIC HANGERS, INC.,
Defendant.

MEMORANDUM INCORPORATING FINDINGS of FACT and ORDER FOR JUDGMENT

DOOLING, D.J.

Plaintiff sues for defendant's alleged infringement of Claims 1, 3, 4 and 6 of United States Patent No. 3,047,196 issued July 31, 1962, on an application filed November 29, 1961. The claims of the patent are directed to a plastic garment hanger suitable for hanging skirts by the waistband. The hanger of the patent is made in a single piece of molded thermoplastic material. The Figures of the Patent illustrate an embodiment of the hanger of the patent, and Figures 1 and 2, in particular, illustrate the elements of the claimed invention. The figures of the patent are reproduced on the following page.

District Court Opinion, Filed July 26, 1978,
As Amended August 28, 1978

FIG. 1

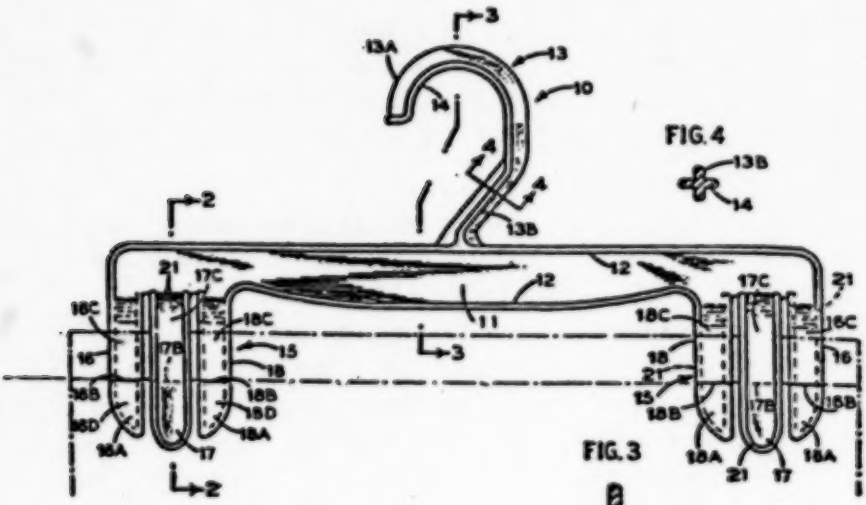


FIG. 4

FIG. 2

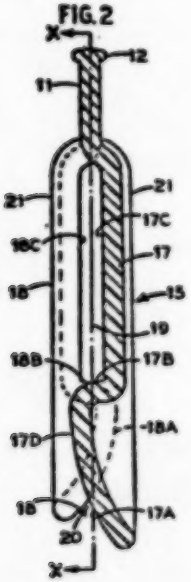
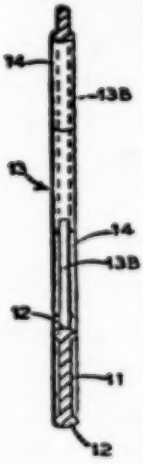


FIG. 3



INVENTORS
Bernard B. Levine
Robert Phillips
BY
ATTORNEY

Referring to Figure 2 of the patent, when a skirt or other garment is to be hung, the waistband of the skirt is thrust upward between the two fingers 17 and 18 from the point 20 until the waistband is lodged in the open space between the fingers 17 and 18; the shoulders of the opposing fingers 17 and 18 (marked 17B and 18B) improve the grip of the fingers on the skirt.

The evidence shows that the hangers have become very popular as "ship-on" hangers. They are used by manufacturers: the skirt or other garment is put on the hanger at the time of manufacture and from that time forward, in the factory, in transit to the stores, and in the stores, the skirt stays on the hanger and, indeed, may even go to the customer with the skirt in the retail sale. Economies in the handling of garments are found to result from use of the ship-on hangers, at least so long as the ship-on hangers can be inexpensively made.

Claim 3 of the patent, which was Claim 5 of the patent application and which was allowed with only verbal changes,[1] reads as follows:

"A garment hanger integrally formed from a thermoplastic material comprising

a transversally extending web,

a hanger means connected to said web adaptable for suspending said garment hanger from a support, and

means depending from said web for frictionally retaining a garment to said hanger,

said means including a two point support for said garment,

each point of support including at least a pair of depending fingers,

each finger being laterally offset so as to extend to opposite sides of an axial plane of said hanger,

said fingers having spoon-shaped ends,

said spoon-shaped ends having opposed face portions projecting laterally of their respective fingers to define a shoulder spaced below the offset connection of said fingers to said web, and

the faces of said spoon-shaped ends extending across the axial plane of said hanger."

In the first office action all claims were rejected essentially on the ground that the prior art showed hanging devices in which the top of a skirt or other such garment was pinched between opposing downwardly projecting members of the hanger assembly (Anderson, No. 2,466,195; Colwell, No. 2,401,413; and Fortner, No. 2,633,277). Only Romano No. 2,215,336, cited but not discussed by the examiner in the first action, showed a holding device (a wooden clothespin) in which a supplementary resilient holding means zigzagged across the opening between the legs of the clothespin and acted to retain the clothesline and garment. In Romano the resilient holding means crossed the central axis of the clothespin and had to be pushed back by the line and garment when the clothespin was effectively applied to hold the clothing on the line.

The applicant met Anderson and Colwell by pointing out that neither device displayed the spoon-shaped end structures on the fingers nor an overlapping of the fingers so that a garment could be frictionally retained between them. Applicant observed further that certain of the claims of the application emphasized that the faces of the respective spoon-shaped ends "extend through the axial plane of the hanger (underlining in original)."

In the second office action the examiner made a number of

formal objections to the claims as amended and the examiner in part further said

> "Claim 1 is rejected as structurally answered by Anderson et al. in Figure 4. The confronting portions of the fingers 19b and 21b in this Figure provide a two point support for a garment supported therebetween. With respect to applicant's argument it is noted that the finger means of Anderson et al. are integrally formed and connected at each end of the web. Further the finger means are coplanar and provide a two point support for a garment."

The applicant did not debate the rejection of original Claim 1. Treating the final rejection of the other claims as essentially directed to formal matters and as not amounting to a rejection on art, the applicant amended the claims in some particulars and soon followed with a supplementing amendment adding what is presently Claim 6. The office then allowed the present claims of the patent and the patent issued.

The patentees of the patent in suit had filed on November 23, 1960, an application for a design patent on a "Hanger for a Skirt or the like." A design patent (Des. 190,843) issued on the application on July 4, 1961, more than four months before the patentees filed their application for the patent in suit. On the next page the three figures from the design patent of July 4, 1961, are reproduced.

Levine and Phillips found the article of the design patent ineffective for holding skirts and other garments and it was never in fact marketed. It was designed to hold skirts by slipping the waistband under the two tongue-like members at the ends of the hanger. The tongues, seen in profile in Figure 2 of the design patent, were in a very flat S form, and frictional support was intended to be supplied by the ridges across the

District Court Opinion, Filed July 26, 1978,
As Amended August 28, 1978

Fig. 1.

Fig. 2.

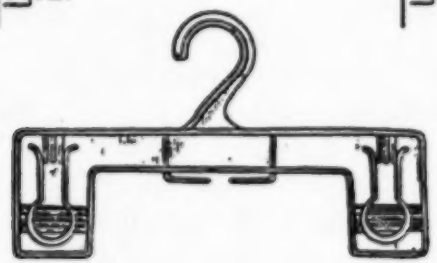


Fig. 3.

FIG. 1 is an elevational view of one side of a hanger for a skirt, or the like, showing our new design.

FIG. 2 is an end elevational view thereof; and

FIG. 3 is an elevational view taken from the side opposite that shown in FIG. 1.

We claim:

The ornamental design for a hanger for a skirt, or the like, substantially as shown.

References Cited in the file of this patent

UNITED STATES PATENTS

D. 146,261	Mack	Jan. 21, 1947
648,534	Seger	May 1, 1900
2,515,544	Artley	July 18, 1950

tongues and the webbing. As seen in Figure 2 there do not appear to be any ridges on the inner sides of the tongue.

What is significant about the design patent for purposes of the validity discussion during the trial is, *first*, the two tongue flaps are, implicitly, resilient and move outward from the web of the hanger to accommodate the waistline of a skirt or the cuffs of a pair of trousers; *second*, the flat-S tongues of the hanger are cut out of the web and the web completely surrounds the two resilient tongue flaps; and, *third*, the web of the hanger is all in a single euclidian plane but the resilient tongue flap curves outward from that plane, then returns to it and again curves outward from the plane, to create an inverted (and tilted) V opening into which the waistline of the skirt can be thrust.

While the history of the development of the hanger of the patent is controverted at one material point, the evidence requires the conclusion that the following is the history. Phillips joined Levine in the Bernard Plastics Molding Corporation in 1959. Levine's experience was in plastic injection molding and Phillips' background had been in hangers. Starting somewhere around late 1959 or early 1960 Phillips and Levine worked on a one piece plastic hanger that could be used as a ship-on hanger, and would not be as expensive as the wooden, wire and other hangers already on the market. That work led them to develop by October 10-13, 1960, the hanger on which they later obtained the design patent No. 190,843. The hanger is shown in most complete detail in Standard Tool Company blueprint Exhibit T, which shows that the resilient tongue flap had ridges or beads on both faces of the flap and, as the design patent figures make clear, the five ridges or beads go across both sides of the hanger, both the web and the flap (although that is not altogether clear in Figure 2 of the design patent.) Models of the article of the design patent were made, but it was

found that when the hanger was jostled it didn't hold the garment; the frictional retention was not good enough for practical use in commerce.

The next stage of development involves the correct dating of two Standard Tool Company drawings which are dated in handwriting as drawn on January 13, 1960, and are stamped as having been issued from the engineering department of Standard Tool Company on January 13 and January 27, 1961. It is plain enough that the issue date stamped on such drawings refers to the date on which the particular copy issued from the engineering department rather than to any date of actual drawing. However,while the testimony of Mr. Phillips displayed some initial uncertainty about the dating of these drawings, the conclusion is that they were drawn on January 13, 1961 rather than in 1960 and that the handwritten dating is an understandable turn-of-the-year mistake. That was Mr. Phillips' final testimony, and it is very difficult to believe that the design shown on the disputed drawings, Exhibits Q and R, could have preceded in time the drawings of October 1960 which depict the hanger of the design patent. Comparison of the two drawings strongly suggests that Exhibits Q and R are developments from the drawing Exhibit T of the design patent hanger rather than that the design patent hanger represented a development from the design shown in Exhibits Q and R. The January 1961 drawings (Exhibits Q and R) show the continued use in the hanger of the type of tongue flaps shown in the design patent but in lieu of extending the web to enclose completely the tongue flaps the web is splayed out and takes the shape of two fingers surrounding the tongue flap at either end of the hanger. Ridges are maintained on the inward facing sides of the tongue flaps, the S curve is somewhat deepened, and the side "fingers" are given an S shape indicating that the garment was to be thrust up between the tongue flap and the side fingers

forcing them apart, lodging the waistband above the crossing of the mated S curves and leaving the garment held by the frictional pressure of the ridged opposing faces of the tongue flap and side fingers. Pencil markings and writing on Exhibit R show that the next stage in development essentially was to substitute three vertically depending straight fingers for the tongue flap and splayed side fingers. The intermediate stages of development that next followed are not in evidence but the final result was reached as shown in the Standard Tool Company drawing of October 5, 1961, Exhibit O. The drawing Exhibit O is in every essential the same as the drawings of the patent in suit, Figures 1 and 2, but Exhibit O does not give Figure 4 nor Figure 3 in the form in which it appears in the patent.

Hangers made in the design of the patent were offered for sale for the first time early in 1962 and for a considerable time sales, while not unimpressive, did not reach the scale which they later attained. However, after a sale was made to the manufacturer of a popular and good quality brand named line of clothing, the sales began to increase very rapidly and by the end of 1977, the evidence indicates, between 225 and 250 million of the hangers had been sold. Warbern was not without competition for the ship-on market, but the evidence indicates that the hanger of the patent has established a clear dominance in the market for ship-on hangers for garments which can be hung by the waistband.

Plaintiff prosecuted alleged infringers of the patented hanger. The earliest suit was that filed against Yankee Plastics, Inc. on May 19, 1965, a suit which was supplemented by a suit against Mr. Hanger, Inc. which was filed September 20, 1967. Both suits were filed in the Southern District of New York. The suits were countered by two suits filed in 1967 and 1968 by Mr. Hanger, Inc. charging infringement of two patents of Mr.

Hanger, Inc. The litigation was compromised, evidently without the payment of any money; in effect the litigants cross-licensed one another. However, as part of the settlement agreement, a consent judgment was entered in the Southern District of New York in which Yankee Plastics, Inc. admitted the validity of the patent in suit and admitted that it had infringed the patent by making, using, selling and exposing for sale garment hangers to which the patented invention had applied. The decree then provided

> "That unless and until otherwise specified by agreement in writing between the parties hereto defendant, its officers, agents, attorneys, associates and privities be and they are hereby perpetually restrained and enjoined from directly or indirectly infringing said patent by applying the claimed invention in and by United States Letters Patent No. 3,047,196 to any article of manufacture for the purpose of sale, manufacture and/or use . . ."

The injunction by its terms was not to continue after the date on which the patent in suit was adjudged invalid with finality.

In the settlement agreement underlying the consent decree Yankee and Hanger agreed that three styles of hanger, including "Royal 8", "having downwardly depending members at the extremities of a horizontally extending web have infringed and do infringe United States Letters Patent No. 3,047,196". Annexed to the settlement agreement are four schedules and schedule D is a photograph of a hanger marked "EXHIBIT #1 Royal-8." All four hangers, Schedules A-D, are like Yankee hangers Exhibits 12 and 64 in evidence. The settlement agreement is in substance a license to Yankee and Hanger to continue to make the hangers photographs of which were annexed to the settlement agreement as schedules A through D. The

settlement agreement and the consent form on the consent decree were signed on behalf of Yankee Plastics, Inc. by Benjamin Zuckerman. The consent judgment was entered February 3, 1970. The settlement agreement containing the admission of infringement and the license were dated January 15, 1970, as were the agreements with Mr. Hanger for licenses on its patents.

In 1966 plaintiff sued Capco Sales Corporation for infringing the patent in suit and that suit was compromised without payment of any money when Capco agreed not to make or sell any hangers infringing the patent in suit. In 1967 plaintiff obtained from R.H. Macy & Co. Inc. a representation that its merchandise vice-presidents had instructed their buyers not to receive any more merchandise on hangers made by Yankee Plastics and that any merchandise on such hangers was to be removed from the selling floor. Macy's further represented that it had "contacted the president of Hi-Line and he had assured Macy that he will no longer be shipping merchandise to Macy using a Yankee Plastic Hanger."

In 1972 plaintiff sued Bay State Plastic Corp. in the Massachusetts District Court for infringement of the patent and in 1974 a consent judgment enjoining further infringement was entered in that Court. As part of the settlement the defendant surrendered the mold which it had used to make the allegedly infringing hangers. Again in 1974 Harvard Engineering of Clinton, Massachusetts agreed to stop infringing the patent and suggested terms on which to make use of or dispose of the mold which it had acquired to make the hangers. Also in 1974 a suit was instituted against Jen-Tee Plastics, Inc. of Leominster, Massachusetts, but that litigation was not pursued because Jen-Tee failed and went out of business altogether.

In 1974 Harwood Company sued plaintiff in the Southern

District of New York and plaintiff sued Harwood in the District Court in New Jersey. The litigation was settled in 1976 with the entry in the Southern District of a consent judgment under which Harwood agreed that the patent was valid, that Harwood had infringed it and that unless the parties agreed otherwise in writing it would not directly or indirectly infringe the patent.

In 1976 plaintiff sued Carter Industries, Inc. on the patent in the Southern District of New York and in 1977 Carter Industries agreed to a consent judgment in which it admitted infringement and validity and agreed that it would surrender the mold that it had used; it was permitted to dispose of its inventory of 185,000 "infringing garment hangers" provided they were all disposed of by September 15, 1977.

None of the foregoing cases was litigated. However, Huron Machine Products, Inc. commenced an action against plaintiff in Florida in 1976 and that case was tried on the merits and resulted in a decision entered October 27, 1977, that the patent was valid and had been infringed. A final judgment of permanent injunction was entered against Huron on November 15, 1977. Plaintiff's design patent No. 190,843, was disclosed in the case, and it was received in evidence. The findings of the court include a finding that Phillips and Levine had the idea of devising a molded plastic hanger to hang skirts and slacks, etc., securely; the Court then found

> "20. Their first attempts were unsuccessful. They obtained a patent, No.D-190,843 issued July 4, 1961, but the hanger shown in this patent would not work properly and was never marketed."

The Court made detailed findings of fact, considering seven prior art patents not cited in the patent office, only one of which, Becker, No. 2,600,091, is put forward in the present case. All of the prior art patents referred to in the Huron deci-

sion have been received in evidence in the present case. The Court held that the patent was valid and that the Huron hangers infringed Claims 3, 4 and 6 directly and infringed Claim 1 of the patent under the doctrine of equivalents. Of the patents commented on by the Court in the Huron case Graham, No. 1,252,262, in Figure 5 shows a wire clothespin in which the shanks of the clothespin are provided with transverse inward bends forming gripping jaws that are opened by the insertion of the clothesline as it passes the point at which the transverse inward bends of the shanks meet; Witt, No. 1,314,998, in Figures 1, 3 and 4 depicts a wire clothespin with a vertical loop arm and a bent spring arm that rides between the two elements of the loop arm; the spring arm is pushed back to insert the line and springs back between the elements of the loop arm after the clothesline has passed the bend of the spring arm; Caldwell, No. 2,209,318, presented a clip made of resilient material designed to hold fabrics on a line: the clip, made from a flat piece of material and not from wire, has a tongue element that passes between side finger elements; the finger elements and the intermediate tongue element are crimped in three places, first toward each other, then away from each other so as to open a diamond shaped space between them, then they are crimped toward each other again until they pass each other,and finally are crimped away form each other so as to open an inverted V space between their distal extremities; Atkins, No. 2,452,175 is a rigid clothespin designed to secure fabric to a line by twisting the line laterally around a central finger between two outside fingers of opposite address; Becker, No. 2,600,091, granted over Atkins, similarly twists a clothesline around an intermediate finger and two other fingers stamped out of a piece of metal with the distal extremities of the fingers twisted in opposite directions so as to form a guide track for the clothesline; Scurrah, No. 2,408,344 presented a clothes hanger the

horizontal bottom of which was fitted with lugs which formed a gripping means with cooperating holding fingers, separately mounted on the hanger, which were urged by springs to form a holding means with the lugs; and Bacica, No. 2,522,595, granted over Scurrah, is a garment hanger from which depend two clips the distal extremities of which have a shoulder-like protuberance and to each of which is spring-fastened a mating clip: to insert a skirt or trousers it would be necessary to squeeze each clip separately before fitting the cuff or waistband into the space between the two clips.[2] The thrust of the art that Huron presented was evidently that laterally offset holding means either on opposite sides of a central axis or on one side only of an axis were familiar from the clothespin art and that uniting such holding means to a hanger was old.

Because of the importance attached to the plaintiff's design patent (Des. 190,843) by the defense and the place that it allegedly had in Jack Zuckerman's development of the allegedly infringing hangers, it is important to determine to what extent the fact that the design patent was the patent of the same inventors and directly related to the development of the device of the patent modifies its effect as "prior art". Involved in this question too is the circumstance that the earlier patent is a design patent and therefore does not have the "claims" which, in a "utility" patent define the scope of the invention. Plaintiff argues from *Illinois Tool Workers, Inc. v. Solo Cup Co.*, 7th Cir. 1972, 461 F.2d 265, that

> ". . . absent a statutory bar, an applicant's own invention is not prior art against his further inventions relating to the same subject matter."

In *Solo Cup* the patentee applied for a patent on cups with a continuous stacking facility on November 29, 1957, and a

month later submitted samples of such a cup to a buyer and in May 1958 put them on public sale and in public use. Within a year after the furnishing of the sample and the starting of the public use the patentee filed a continuation in part application comprising all of the subject matter of the original application plus drawings and claims directed to cups with an interrupted stacking facility feature; the original application was, a few days later and less than a year after the furnishing of the sample and the public use, abandoned. Later in the prosecution the Office required the application to be divided and the division apparently was along the lines of whether or not the stacking facility was continuous. The interrupted stacking facility patent issued first, and, later, the continuous stacking facility patent issued. The alleged infringer, Solo Cup, contended that the public use of the continuous stacking facility cups was a public use within the meaning of Section 102(a) and made it prior art that could be cited against the validity of the earlier issued patent on the interrupted stacking facility cups. In deciding that the interrupted stacking facility cup did not have to be patentable over the continuous stacking facility cup the Court of Appeals was plainly guided by its clear perception that the patentee had not lost his right to patent the interrupted stacking facility cup by reason of the provision in Section 102(b) that a person is not entitled to a patent if his invention was patented or described in a printed publication here or abroad or was in public use or on sale in this country more than a year before he applied for his United States patent. Plainly neither type of cup had been in public use for more than a year before either application had been filed and that statutory bar was not involved. The Court in substance concluded that Section 102(a) requires that the invention have been known by or used by *others* in this country or patented by *others* or described by *others* in a printed publication in this or a foreign country before the

invention thereof by the applicant for a patent upon the invention so known, used, patented or described, if it is to be a bar. As the Court said (461 F.2d at 270)

> "We are of the opinion that Section 102(a) dictates that Edwards [the inventor] had to be the first and original inventor of the [interrupted stacking facility] invention and absent a reference patent or prior invention by another, the requirements of Section 102(a) have been satisfied . . . Congress indicated by its language Section 102(a) that the subject matter must have been 'invented by others' as well as 'known or used by others.' "

The Court appears to have overlooked the circumstance that if each of the patents was not patentable over the other (though one may have dominated the other) the patentee was obtaining a monopoly for a longer term than his patentable subject matter entitled him to enjoy.

It has been said, in *Application of Jaeger*, CCPA 1957, 241 F.2d 723, 726,

> "Appellants [applicants for a patent] suggest that we should look more generously on this case because the closest art is a previous development of the same inventor. No authority is cited to support this proposition and we know of none. The law makes no distinction between prior art of an applicant's own making and the prior art of others. It is urged that an inventor should be allowed to profit from the improvements he makes on his own 'basic' invention. While it has had no effect on our decision, it is noted that [the claims of the earlier patent] . . . would appear to dominate the present improvement. To support a separate patent, an improvement must meet all of the statutory requirements of patentability which this one fails to do."

Going somewhat farther in *Application of Ornitz*, CCPA 1965, 347 F.2d 586, the Court considered the propriety of

rejecting claims made in a continuation in part application on the basis of the prior art comprised in the patent issued on the original application. The applicant argued that since all claims originated in copending applications, the pending claims could be rejected only on the ground of double patenting, a ground available only if the outstanding patent and the application claimed the same invention. The Court said that the applicant fell into the error of

> " . . . arguing that the prior art cannot be used in combination with his patent claims to determine whether the *differences* between them and the claim on appeal are only such differences as would be obvious to one of ordinary skill in the art. All of these matters have been settled by several cases in this court, contrary the appellants views as for example In re Ockert, 245 F.2d 467 . . . In re Simmons, 312 F.2d 821 . . . and other cases therein cited."

The applicant further argued that the rejection of his claims was a Section 103 rejection for obviousness disguised as a double patenting rejection impermissibly using his own patent as prior art in the process. The Court answered

> " . . . the question here is not whether [applicant] may have *made* a patentable invention but whether *in issuing his patent* with the claims it contains he has exhausted whatever right to a patent on his invention, or inventions he may have had."

The Court reasoned that impermissible double patenting includes taking out a second patent claiming an invention which differs from an already patented invention only in some unpatentable particular. The Court said, quoting from an earlier opinion

> " . . . it has been a firmly established rule in this court for over thirty years that when an applicant *takes out a*

patent on one of two or more co-pending applications on closely related inventions, he shall not be allowed claims in the other applications except on subject matter which is patentably different from the subject matter *claimed* in his patent."

The conclusion of the court was

> "As has often been made clear in other cases above cited, in determining whether there is a patentable difference, prior art may be considered, just as it is considered on a simple Section 103 or 'obviousness' rejection. That fact does not, however, convert a double patenting rejection into a simple Section 103 rejection so as to exclude consideration of patents issued on applicant's own co-pending applications."

The same point was earlier made in *In re Land*, CCPA, 1940, 109 F.2d 251, 252 where the Court put it this way

> "Appellant complains that the Patent Office has used his own patent, which grew out of the parent application, as prior art. We do not so understand the holding of the tribunals. In circumstances like those at bar, it has been frequently held that in determining whether or not claims of one application are patentable, it is proper to consider the prior art and the claims of any patent which has been issued to the applicant . . . Otherwise if what appellant has already been given is not taken into consideration, and the instant claims be allowed, appellant would have a patent for a combination which is not inventive, though presumptively inventive, in which his only contribution as an inventor consisted of an inventive element for which he had been rewarded. In other words, it seems to us that this is another way of stating that appellant would have two patents for the same invention and that, therefore, double patenting would exist."

See also *Triax Co. v. Hartman Metal Fabricators, Inc.*, 2d Cir. 1973, 479 F.2d 951, 954, fn. 2. *Turzillo v. P & Z Mergentime*, D.C. Cir. 1976, 532 F.2d 1393, 1402 appears superficially to accept the idea that patents issued on co-pending applications of the same inventor must together definitely be patentably inventive over the prior art and need simply to be different from each other and not patentably different from each other. The quotation from Deller's Walker on Patents, however, makes it clear that at most the idea is that the later of the patents need not show an inventive advance over what was *disclosed* but not *claimed* in the earlier patent, and that, to determine the issue of double patenting, only the claims are compared "and the claim of the patent must show an invention beyond the claims of the first." That is, the disclosures of the co-pending applications must be such that they genuinely contain patentable subject matter for two distinct patentable inventions, so that when the patents finally issue the claims of the second patent define an invention which has patentable novelty over the claims of the first patent. *Application of Facius*, CCPA 1969, 408 F.2d 1396, quoted and much relied upon in the *Solo Cup* case is of the same kind. There it appeared likely that the patentee Engalitcheff and the applicant Facius had invented different elements of an evaporative heat exchanger. Engalitcheff's patent had first issued with a specification that disclosed the existence of the component allegedly invented by Facius, and Engalitcheff included at least one aspect of that element in the various combination claims as one of the elements of the combinations he claimed. The Facius element was not, however, itself claimed as a separate invention. The application of Facius cross-referenced the Engalitcheff patent and professed to be an improvement over it rather than an invention of one of the elements in its combinations. The claims of Facius were rejected on the Engalitcheff disclosure and to meet that

rejection Engalitcheff and Facius submitted affidavits explaining that Facius had invented the element which he now sought to claim as an improvement on Engalitcheff. The reasoning of the case was that an issued patent such as Engalitcheff evidences inventorship by the patentee but only of everything that is both disclosed and claimed, and that the existence of combination claims does not evidence the patentee's inventorship of the individual elements or sub-combinations of the combination claims if those individual elements or sub-combinations are not separately claimed. Since, however, Facius in his application had used as his starting point the disclosure (not the claims) of the Engalitcheff patent, claiming only an improvement on Engalitcheff, his showing to the Patent Office was defective in two respects, *first,* in failing to claim his whole invention, and, *second,* in failing to bring forward facts to show that he had been the inventor of the entire element upon which he now sought patent protection. The rejection of the claims of Facius was accordingly sustained. It was in that complex context that the Court remarked that one's own invention, whatever the form of disclosure to the public, may not be prior art against one's self "absent a statutory bar"—that is, where one has not obtained a patent on the material disclosed. The critical circumstance in Facius—and Facius lost because he did not effectively establish the facts—was that the disclosure of the subject matter of his invention in another patentee's specification could not be cited as prior art when Facius included the same subject matter in his own specification and sought claims limited to that subject matter. The footnote to that was that, of course, Engalitcheff had not obtained, and he could not legally have obtained claims on Facius's subject matter, and he could not be deemed to have claimed the subject matter as his own simply because he disclosed it in the course of his own disclosures of his own patentable subject matter. He had not imposed

any cloud on the rights of Facius since he had not sought any claims based on the subject matter of the invention of Facius.

Application of these principles where the earlier patent is a design patent presents the difficulty that the design patent is directed to "any new, original and ornamental design for an article of manufacture" (35 U. S. C.§ 171), and that in form the design patent presents nothing similar to "claims" except the figures giving the design, a usually very brief specification, and, as in the case of Des.190,843, only such a generalized claim as "The ornamental design for a hanger for a skirt, or the like, substantially as shown." It has been said, *Hygienic Specialties Co. v. H.G. Salzman, Inc.*, 2d Cir. 1962, 302 F.2d. 614, 618, that in order to qualify for a design patent an article must be ornamental, a product of aesthetic skill and artistic conception, and that a design "dictated solely by mechanical or functional requirements is not patentable." *Cf. Barofsky v. General Electric Corp.*, 9th Cir. 1968, 396 F.2d 340. While the cases recognize the difficulty in sorting out the patentable subject matter when one of two patents is a design patent, the principle is precisely the same. In *Application of Dubois*, CCPA 1958, 262 F.2d 88, 90, the Court said

> "The principle applied in each of those cases is that double patenting is a proper ground of rejection if the features producing the novel aesthetic effect of a design patent or application are the same as those recited in the claims of a mechanical patent or application as producing a novel structure. That principle, however, does not necessarily preclude the allowance of design and mechanical patents based on identical disclosures, nor the allowance of claims in the mechanical patent dominating the design patent. If the design includes ornamental features which go beyond and are patentable over the structural features as defined in the claims of the mechanical application the inventor is entitled to two patents."

Again the test is whether the one is patentable over the other. In *Dubois* the Court allowed utility claims because it appeared to the Court clear that the design patent was drawn to an inventive concept distinct from that defined by the appealed claims in the utility patent and that therefore there was more than one invention. Again the Court emphasizes the necessity for a demonstration of the existence of two inventions, not simply a difference in the two articles, and by invention, in this context, is always meant a patentable invention and not an obvious discovery.

Application of Thorington, CCPA 1969, 418 F.2d 528, most recently reviewed the whole subject of the availability of design patents as citations against later issued utility patents. There the Court said, "The design patent protects the article of manufacture embodying the ornamental configuration." (418 F.2d at 337) The Court emphasized that in considering the scope of the design patent it is appropriate to take account of characterizing terms in the specification or claim of the design patent. (418 F.2d at 537). In the *Thorington* case the term of description used was "fluorescent lamp" which the Court said had a "well-defined meaning which necessarily includes those elements recited in the claims on appeal." See to the same effect *John Thomas Batts, Inc. v. Mr. Hanger, Inc.*, E.D.N.Y. 1972, 176 USPQ 388, 401-402. In the latter case the late Judge Rosling remarked of the simultaneously filed design and utility patents that, " . . . it is impossible to determine where, if at all, appearance leaves off and function begins." That is equally true in the present case where only the design patent is under consideration at this point. The design patent is a design "for a hanger for a skirt." The three figures of the patent clearly reveal the mechanical means by which the device is to function. The ornamental design expresses completely the function of the device. It therefore not only claims against all

the world the ornamental design which it displays but discloses and publishes to all the world the hanger function and means expressed in the design. See *Ropat Corp. v. McGraw-Edison Co.*, 7th Cir. 1976, 535 F.2d 378. There the Court said of co-pending design and utility patents on a corn popper (at 382):

> "In the instant case, it is readily apparent that the features in which the novel esthetic effect reside are the identical features which produce the novel function claimed in the utility patent . . . .
>
> " . . . Ropat argues that double patenting has not occurred in the instant situation since the invention claimed in the utility patent can be constructed without 'copying' the precise shape of the dome, base, handles, or legs claimed in the design patent. These contentions, however, are irrelevant. Double patenting in the design-utility situation cannot turn on niceties of precise ornamentation . . . but rather must turn on the presence or absence of design features which produce the novel function claimed in the utility patent . . . It is immaterial that the design patent is 'replete' with ornamental features which are neither described nor claimed in the utility patent. A design patent and the utility patent need not claim every incidental feature of the other in order for both to claim the 'same invention.' "

Strangely, in this case the issue of validity is best approached by first considering the question of infringement. The allegedly infringing device is well shown in Figures A and B of Exhibit 11, which occupy the next two pages of this memorandum.

The numerals on Figures A and B of the allegedly infringing device express plaintiff's argument that the parts pointed out by the numeral indicators correspond to the enumerated parts of the device of the patent.

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As Amended August 28, 1978

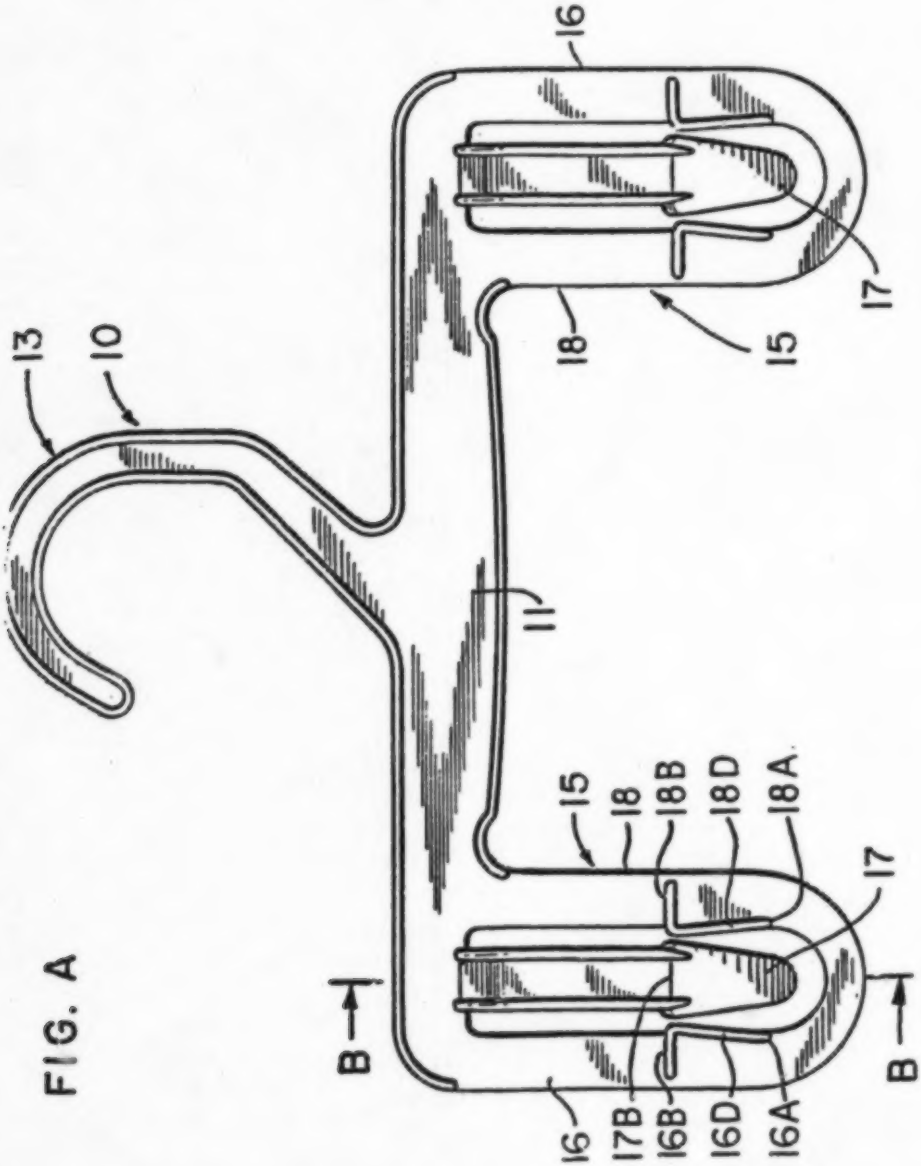

FIG. A

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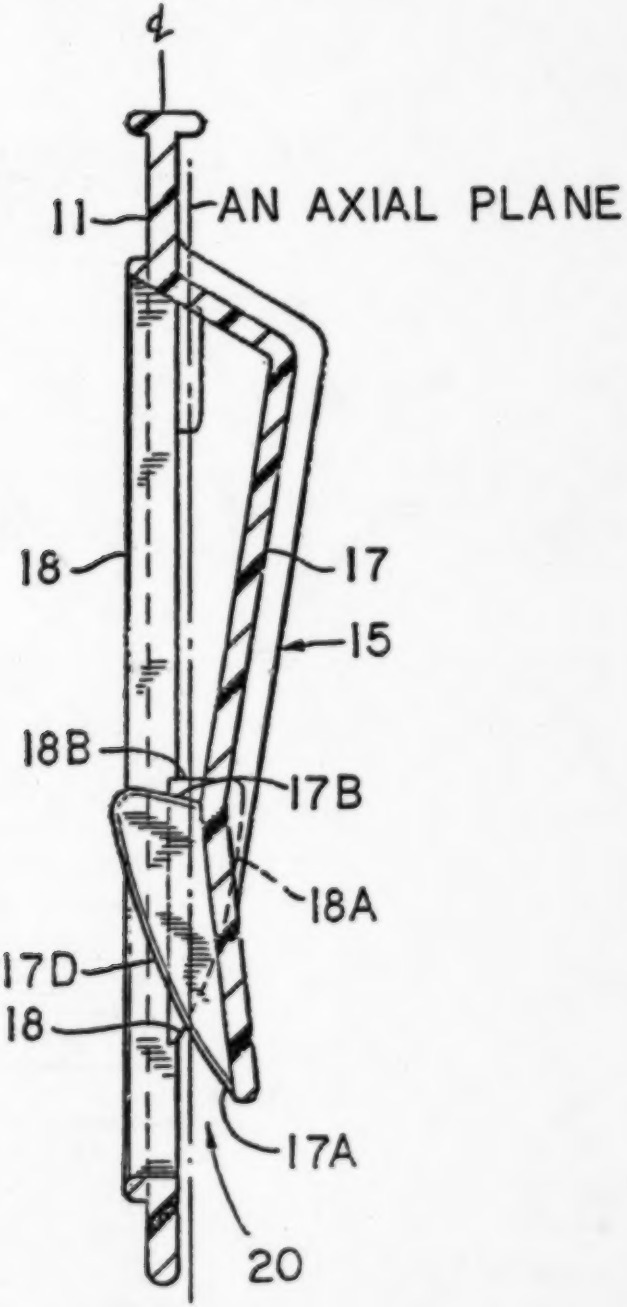
FIG B



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The most immediately evident differences between the accused hangers and the hanger of the patent are, *first*, that only the middle finger at each end of the accused hanger is "laterally offset", the encompassing U elements (or linked fingers) lying in the plane of the web of the hanger and its hook; and, *second*, the accused hanger, instead of having distinct fingers surrounding a middle finger at each end of the hanger, presents a U-shaped downward extension of the web of the hanger surrounding a laterally offset finger at each end. This construction the accused hanger shares with the allegedly infringing hangers of Yankee Plastics, Exhibits 12 and 64, the accused hanger of Harwood (Exhibit 13) and the Huron alleged infringement (Exhibit 53).

The specification of the patent (Column 1, lines 67 to 71) states that the "inner" and "outer" fingers (those surrounding the middle fingers) of each set are "each laterally offset to the same side of an axial plane X-X of the hanger 10. The middle finger 17 is laterally offset to extend to the other side of the axial plane X-X." The axial plane X-X is shown in Fig. 2, *supra* p. 2. Each claim of the patent in somewhat different language requires that the gripping fingers be laterally offset to opposite sides of the hanger. Claim 1 says " . . . each of said fingers being laterally offset with respect to the central axial plane of said web". Claim 2 requires " . . . inner an outer fingers being laterally offset to one side of the axial plane of said web, and said middle finger being laterally offset to the other side of said axial plane". Claim 3 requires " . . . at least a pair of depending fingers, each finger being laterally offset so as to extend to opposite sides of an axial plane of said hanger". Claim 4 in this aspect repeats Claim 3 on which it is dependent. Claim 5 specifies outer, middle and inner fingers. " . . . said inner and outer fingers being laterally offset to one side of the axial plane of said web and said middle finger being

laterally offset to the other side of said axial plane". And Claim 6 specifies a series of three spaced apart resilient fingers connected to each end of the web " . . . said inner and outer fingers being laterally offset to one side of the axial plane of said web, and said middle finger being laterally offset to the other side of said axial plane". The lateral offset of each finger required by each claim must refer to the lateral offset from the web at the uppermost end of the finger. Thus, the middle finger in all of the hangers in evidence is sprung outward from the web and then drops to the tip on a vertical path parallel to or somewhat converging toward the plane of the web. It will be seen in Figure 2 of the patent in suit that the fingers are parallel to each other and to the central axial plane of the web. Defendant's allegedly infringing devices do not have all three fingers laterally offset to any axial plane of the web. The middle finger obviously is so offset, but, since the U-shaped element is an extension of the web, it is not laterally offset from any plane that could be drawn through the web—as distinguished from the reinforcing rib that extends laterally beyond the web. But an axial plane that is drawn through the reinforcing rib is not functionally significant, and, if drawn through the point at which the lower slopes of the oppositely facing spoonshaped contours intersect, its intersection of the reinforcing rib is merely adventitious. Only in Claim 3 is the expression slightly different: each finger must be laterally offset " . . . so as to extend to opposite sides of *an* axial plane of said *hanger*." (Emphasis added.)

There is a second aspect to the opposite offsetting of the fingers of the hanger. In each claim the spoonshaped ends of the hanger are required (in the language of Claim 1) to face each other and extend across the (or *an*) axial plane of the web or hanger as the case may be. In Claim 1 the language is "the spoonshaped end of adjacent fingers face and extend across

said [*i.e.*, web] axial plane". In Claim 2 the language is simply that the spoonshaped end of each finger must have a contoured face portion "extending across the axial plane of said web". In Claim 3 "the [opposed] faces of said spoonshaped ends" must extend "across the axial plane of said hanger." In Claim 4, which depends on Claim 3, incorporates the opposition requirement of Claim 3, and adds the limitation that "one of said fingers is longer than the other, and the opposed face portions of said spoon-shaped ends have a convex curvature to define therebetween a path which facilitates the insertion of a garment therebetween." In Claim 5 the limitation is that "said spoonshaped end of each finger [have] a convex face portion projecting laterally of their respective fingers to extend across the axial plane of said web". And in Claim 6 the limitation is that "said spoonshaped tip end of each finger [have] a contoured face portion extending across the axial plane of said web."

The first question is whether *an* axial plane of the web can be located altogether outside the web though parallel to it. Such a reading is required (see Exhibit 11 Fig. B, *infra*, p.33 and Exhibit E-1, Fig. 2, *supra*, p.2) and the reading is literally justifiable, although it does violence to the language of the specification and claims, on the theory that the axial plane is, logically at least, to be found at the effective center line of function. That is, the references to the axial plane should all be directed to making clear the idea that the protuberant retaining devices are to face each other, and are to extend across some common line so that the waistband of a skirt can be presented to them with facility, and so that, when they move apart to accommodate the waistband and then spring back, the waistband is nested above the ledges of the protuberances. The reading violates the descriptive and claim language seriously, because it ignores the requirement in all of the claims except

Claim 3 that the fingers be laterally offset with respect to either the central axial plane of the web or "the axial plane of the web." Spoonshaped protuberances formed on the web itself simply are not formed on fingers laterally offset from the web.

No doubt the function sought to be encompassed by the spoonshaped end construction is independent of lateral offsetting from the web of one finger against one or two other fingers, and can be as well performed if the "inner" and "outer" spoonshaped ends are formed on the web rather than on laterally offset fingers. It must be borne in mind, however, that although the patentees did not draw their own design patent to the attention of the patent office, they must have had it—indeed, were shown to have had it—well in mind in moving on to the hanger of the patent and, therefore, to the patent application, and they may well have been conscious that they should not so draft their specification and claims that the gripping mechanics amounted only to an improvement on a detail of the gripping means of their own design patent.

The claims (ignoring Claim 3 and its dependent Claim 4 for the moment) do not read on the allegedly infringing device nor, for example, on the Huron or Harwood devices, nor on the early Yankee Plastics devices, simply because they do not incorporate fingers laterally offset to opposite sides of the web *and* spoonshaped ends on fingers extending across the axial plane of the web.

Claim 3 requires that each finger be "laterally offset so as to extend to opposite sides of *an* axial plane of said *hanger*" (emphasis added) with "the faces of the said spoonshaped ends extending across *the* axial plane of said *hanger*" (emphasis added). The word axis admits of enough uncertainty of reference so that it cannot be said that the hanger can have only one axis or that every conceivable axis of the hanger must pass

through the web of the hanger, or even through the reinforcing rib at the top of the web. But, again, the web itself, forming one of the finger pairs, is simply not offset so that it extends to a side of an axial plane of the hanger. Later language of the claim (Column 3, lines 40-41) refers to "the offset connection of said fingers *to said web*" (emphasis added), and that phrase requires that the fingers be offset from the web. It is to be noted, too, that in Column 1 of the patent at lines 69 to 71 the inner and outer fingers at each end are said to be "each laterally offset to the same side of *an* axial plane X-X of the hanger 10. The middle finger 17 is laterally offset to extend it to the other side of the axial plane X-X." And in Figure 2 (*supra* p.2) the plane X-X is depicted as passing through the center line of the web and midway between the two offset fingers emerging just a little bit to the right of the intersection of the two spoonshaped arcs of the ends of the fingers.

The axis of Claim 3 is, then, an axis on opposite sides of which the fingers are offset from the web; that is, it is the axis with respect to which the fingers are offset from the web. The axis across which the faces of the spoonshaped ends must extend is, then, the same axis from which the fingers must be offset from the web. It follows that Claim 3 and its dependent Claim 4 cannot be read on the infringement device.

The allegedly infringing devices as well as the earlier Yankee Plastics, Harwood and the Huron devices are all characterized by having the middle finger at each end of the hanger enclosed within a U shaped extension of the web of the hanger. The evolution of the hanger of the patent, as seen in the blueprints marked in evidence and in the design patent, was to fingers from using the web as the backing element against which the middle finger pinned the garment. Certainly, as was done during trial with Exhibit 9A, the U forming the bottom of

the extended web can be snipped off, and then a three fingered holding means at each end of the hanger appears, supporting the argument that fingers are present, if unobviously. The round at the bottom of each end of the hanger may be an improvement over three flexing fingers, but the rounds do not obliterate the existence of the functional fingers of the article of the patent. *Cf. Temco Electric Motor Co. v. Apco Mfg. Co.*, 1928, 275 U.S. 319, 328. The fingers, however, are not the laterally offset fingers specified in every claim of the patent. The U shape connecting the "inner" and "outer" fingers at each end would not avoid the patent if the "inner" and "outer" fingers were otherwise the fingers specified in the claims of the patent. But the offset finger feature is insisted upon throughout the patent and its claims, and the only indication of a departure from the construction illustrated in Figure 2 of the patent (*supra*, p. 2) is in the specification at Column 2, lines 19 to 21,in which it is said

> "If desired, the depending finger may depend in a manner such that the tip ends thereof tend to converge toward one another."

(Apparently the expression should have been the depending fingers.) It will be seen in Figure 2 that the lines 17 C and 18 C are approximately parallel, and the suggestion is that these two lines could converge. The accused hangers have middle fingers which converge toward the web.

Defendant argues that its hanger does not have the spoon-shaped or bullet-tipped holding means that are found on each of the three fingers of the hanger of the patent. Defendant argues further that the introduction of the word spoonshaped into the specification and claims in March and May 1962 came too late, arguing that by that date the hanger of the patent had been in public use for more than one year. *Cf. Muncie Gear Works v.*

Outboard, Marine & Mfg. Co., 1942, 315 U.S. 759. The evidence does not show that the hanger of the patent was in public use any earlier than early in 1962, and, in any event, the introduction of the word spoonshaped brought in no new concept. It was simply the examiner's suggestion of a word that he thought more aptly descriptive of the identical construction which the patentees had called bullet shaped or bullet tipped.

The function of the spoonshaped ends is clear. They are to form glide slopes to facilitate the insertion of the garment, and to supply a shoulder or ledge to retain the waistband of the garment above the spoonshaped ends. The expression spoonshaped or bullet shaped is intended to describe the contour of the means when seen in profile, and in this respect there is no material difference between the retaining means of plaintiff and of defendant. However, plaintiff's holding means are in each instance roughly the entire width of the finger and furnish a sloping surface extending from one side of the finger to the other except the very tip, where the slope joins the main plane of the finger. The holding means of defendant's device, however, are not sloping surfaces converging toward the base plane of the finger but are low walls fixed at the edges of the fingers and curving down to the base plane of the finger. In the case of the "outer fingers" there is only one such tapered wall element, located on the side of the "finger" nearest to the middle finger. On each of defendant's "fingers" there is an arcuate ledge perpendicular to and abutting upon the upper end of the spoonshaped side wall of the finger.

Despite the differences in construction of the spoonshaped elements in defendant's accused hangers the elements are those of the patent claims; the tip ends of the fingers of the accused hanger are in the functionally significant respect spoonshaped; they form a holding shoulder, and the opposed faces of the ends

define an inverted V guide for the insertion of a garment between the "fingers", utilizing the spoonshaped contours of the "ends" to facilitate the insertion of the garment.

Plaintiff contends that Claim 1 of the patent can be read on the accused device by equivalence, arguing that defendant's hanger does exactly what the hanger of the patent does by essentially the same means. To establish infringement plaintiff must make good that claim of infringement by equivalency for Claim 3 and the other claims as well. The difficulty in dealing with that approach to such a patent as the present one is illustrated by plaintiff's concession that defendant's hanger does not infringe Claims 2 and 5. The reason for that concession is that none of the accused hangers has a reinforcing rib extending along either side of the base end of the hanger intermediate the width of that base end. The construction is shown in cross section at Figure 4 of the patent and is indicated in Figure 1 at the base of the hook by the numeral 13B. The addition of that construction to a claim as a distinct element meant that any device that lacked the element could not be claimed to infringe. The truism is that a true combination claim is not infringed unless all of the elements of the combination are present in the accused article. The problem in invoking the doctrine of equivalents is with defining the nature of the requirement that each finger be laterally offset with respect to some plane of the hanger and be fitted with opposing spoonshaped ends between the lower points of which the garment could be slipped. If the offset had no other function than to create a space between the two facing fingers sufficient to hold the hem of the garment, then all the references to an axis in the patent achieved nothing but obscurity. The real point would have been that one pair of fingers had to be offset from the middle finger, and it would have sufficed to offset either the middle finger or the adjacent fingers from the web, or both could have been offset from the

web with indifferent result and identical function. (The thought that the garments would hang out of plumb unless sets of fingers were offset from the center line of the web is hardly worth noting.) It is easy enough to suppose that the draftsman of the claims allowed himself to be dominated by the figures of the patent rather than by the conception of the invention. But only original Claim 1 of the patent omitted any reference to axis and to offsetting fingers and even as amended it was rejected (Exhibit 2, page 24).

Royal Typewriter Co. v. Remington Rand, Inc., 2d Cir. 1948, 168 F.2d 691 noted the resort to the "doctrine of equivalents" to temper unsparing logic and prevent an infringer from taking the benefit of an invention without paying it tribute. Judge Learned Hand said of the doctrine of equivalents (168 F.2d at 692):

> "All patents are entitled to its benefit to an extent, measured on the one hand by their contribution to the art, and on the other by the degree to which it is necessary to depart from the meaning to reach a just result."

The Court in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 1950, 339 U.S. 605, 608, adopted with approval as the underlying theory of the doctrine that

> " . . . if two devices do the same work in substantially the same way, and accomplish substantially the same result, they are the same, even though they differ in name, form or shape."

The Court also said (339 U.S. at 609):

> "What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case. Equivalence, in the patent law, is not the prisoner of a formula and is not an

> absolute to be considered in a vacuum. It does not require complete identity for every purpose and in every respect."

The Court had earlier said in *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U.S. 405, 419, that

> " . . . infringement is not averted merely because the machine alleged to infringe may be differentiated from the patented machine, even though the invention embodied in the latter be not primary; and, second, that the description does not necessarily limit the claims."

See further *Ziegler v. Phillips Petroleum Co.*, 5th Cir. 1973, 483 F.2d 858, 868-871.

Underlying all these discussions is the search for a definition of what the discovery of the patentee really was. Once that has been determined, the next question must be whether the claims do at least in some sort embrace the discovery. If the claims simply do not, the case is beyond recovery. What the discovery is must inevitably be determined from the specification, using whatever illumination the proceeding in the patent office and the prior art may furnish. Plaintiff's specification and the language of the claims, taken together, furnish no real ground for an expansive interpretation of any of the claims in the presently critical respect. Throughout the insistence is upon fingers that are laterally offset oppositely to each other and to the web or the hanger. The inference would be that the patentees regarded that offsetting construction as an indispensable element of their discovery. The patent prosecution is not illuminating; the only extensive response by the patentees to an office action was that shown at pages 20 through 22. It differentiated Anderson and Caldwell, cited by the Office, on distinctly narrow grounds. Anderson was differentiated as requiring two spaced apart rack arms the finger means of which were not co-planarly disposed to provide two-point support for

frictionally retaining a garment. For Claim 1 of the patent (ultimately rejected) it was argued that the claim set forth "depending finger means . . . integrally formed and connected at each end of the web." (underlining in original.) The combination of Anderson and Caldwell was differentiated on the ground that neither had three longitudinally spaced apart fingers and neither disclosed the bullet tip end structure wherein each tip overlapped one other so that the garment could be retained. Original Claims 5 and 6 were supported similarly as requiring that the respective bullet tipped ends extend through the axial plane of the hanger, a construction not disclosed by Anderson or Caldwell. Nothing was said about offset fingers. Caldwell might be thought to have disclosed them in one form and Anderson in another and so might Fortner. These three references visualize a clamping action with the clamp elements offset from each other at the tops.

If the patent office file were the guide it would have to be concluded that emphasis was on the fact that the hanger was integrally formed from a moldable material and that the fingers at each end of the web had oppositely facing and overlapping garment retaining means. Nothing in the course of the prosecution therefore limits plaintiff to finger pairs oppositely offset from the web of the hanger or from the hanger itself.

Nevertheless the fact remains that the prosecution like the patent itself was very closely confined to the precise presentation in the specification of an integrally formed hanger with three oppositely offset fingers at each end. The tip construction and the opposition of the fingers was tacitly connected throughout with the oppositely offset construction made so very clear in the language of the specification and in the language of all of the claims except original Claim 1, which was rejected, a rejection in which the patentees acquiesced. It is

concluded that the elements integral to the patentees' inventive concept were the offsetting of the fingers to opposite sides of the hanger, the overlapping of opposed tips, integral formation of t e whole from a thermoplastic material, and the presence of the supporting hook at top; the offsetting of the fingers to opposite sides of the hanger as a specific construction was so far critical in the inventive concept that it does not admit of the substitution of a functional equivalent such as use of the web and its U shaped extension to perform the role of the laterally offset "inner" and "outer" fingers of the hanger of the patent.

Claims 4 and 6 of the patent require that the middle finger, or at least one of the fingers at each end of the hanger, be longer than the other fingers of its set. To the extent that the accused hangers can be said to have fingers in that portion of the web which extends in U form around the middle finger, the middle finger is in fact longer, measured to the point at which the spoonshaped contour meets the base plane of the finger in the case of the middle finger and of the web in the case of the other fingers.

It is, then, concluded that the accused hangers do not infringe the patent.

The question of validity presents considerably less difficulty than the question of infringement. The secondary factors, commercial success and acquiesence in the patent in the face of vigorous enforcement have been amply made out. The evidence indicates that the need for such an article antedated the invention of the hanger in suit, and it is implicit in the record that, with the introduction of plaintiff's hanger, the use of ship-on hangers became more widespread, and that earlier candidates for such use, even though less expensive, were very largely displaced.

The hanger of the patent was not anticipated in what ap-

pears to have been a crowded art. Nevertheless, it must be concluded that the differences between the hanger of the patent and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which the hanger belongs. Plaintiff's expert in his 1969 letter expressed the view that the patentees' own design patent was more pertinent than any of the other patents cited to him, and it is possible to agree with that view of the matter. The design patent does show the most significant elements of the patent in displaying integral construction, a supporting hook at top and gripping means at each end of the hanger that took advantage of the resilience of the material to form a pinching grip. The Dollins design patent (Des. 191, 824) co-pending with the patentees' design patent, although later in filing and issue date, is more rudimentary than the design patent of the patentees and could suggest nothing to patentees who had already developed their own design with additional elements. But the other art cited against the patent is far from meaningless. The fact that no one of them is an anticipation is not decisive. The patentees, having devised the hanger of the design patent and persisting in their search for an improvement upon it, were, on the evidence, conscious that its principal weakness lay in its uncertain grip on the garments it was meant to support in commercial shipment. The prior art did not show any adequate retaining means that were wholly integral with a hanger but it was certainly alive with hints and suggestions pointing to the solution that the patentees chose. Caldwell, Anderson and Fortner, cited in the patent office, were all in the hanger art and suggested gripping means without overlap, and Romano, cited in the patent office, suggested the overlap. Bacica and Scurrah, also in the hanger art, presented clipping means. The significance of the hanger art is not that it, unaided, suggest the device of the patent, but that, addressed to

workers who had already come the distance represented by their design patent and who were seeking gripping means, these gripping means used in the hanger art were suggestive of ready adaptation to the patentees' integrally formed hanger. Given the patentees' problem, the clothespin art was not distant, and the very nature of the problem would normally suggest reference to it for gripping means. Becker, Graham and Witt are all suggestive of means that might be used in an integrally formed hanger. Ryan, Caldwell and Atkins are similarly suggestive of means of developing clips for an integrally formed hanger. Viewed against the prior art, the hanger of the patent in suit does not represent a development patentably distinct from the hanger of the patentees' own design patent. Had that patent been considered relevant prior art by the Court in the Huron case, it is not considered that there would have been a holding of infringement.

Plaintiff argues that defendant is bound by the decree against Yankee Plastics because of the extent of Jack Zuckerman's involvement with Yankee Plastics, Inc. at the time when it was making the hangers which, it was agreed in the consent decree, were infringements of the patent in suit, a patent which Yankee Plastics then admitted was, as between it and the patentees, a valid patent. The evidence is clear that Mr. Zuckerman was deeply involved with the development, manufacture and marketing of the Yankee Plastics hangers that were conceded to be infringements of the plaintiff's patent. However, it also appears that at the time when he was severed from the company in consequence of some internal dispute, the consent decree had not been arrived at. It appears also that Yankee Plastics had been in a Chapter XI proceeding in the period just preceding the settlement, and it is not at all clear who within the Yankee Plastics organization was the responsible party in making the settlement arrangements, unless it was Mr. Ben

Zuckerman—who signed the agreement on behalf both of Yankee Plastics, Inc. and of Mr. Hanger. Since the binding effect of the decree on Mr. Jack Zuckerman depends upon his having been an officer at the time that decree was entered and the evidence repels the argument that he was such as officer, the contention based on the Yankee Plastics consent decree must fail.

It is accordingly

ORDERED that the Clerk enter judgment that plaintiff take nothing and that its action is dismissed on the merits and that defendant have judgment on its counterclaim that Claims 1, 3, 4 and 6 of United States Letters Patent No. 3,047,196 are invalid and not infringed by defendant and that defendant have costs of the action as taxed by the Clerk.

Brooklyn, New York
July 25, 1978.

JOHN A. DOOLING, JR.
U. S. D. J.

1. The amendments deleted the requirement that the web have "a marginal reinforcing rib extending there around", changed "bullet tips" to "spoonshaped ends", and substituted "across" for "through" in the closing expression.

2. In discussing the combined teaching of Becker and Bacica the Court in the *Huron* case made the finding:

> "56. If Becker were used to modify Bacica, a garment would slip off. Becker was not designed to hang a garment but only to clip it onto a clothes line. The comination of Becker and Bacica would result in a hanger resembling WARBERN's unsuccessful hanger shown in patent no. D-190, 843, Plaintiff's Exhibit 11."

Memorandum and Order as amended
Brooklyn, New York
August 28, 1978.

JOHN A. DOOLING, JR.
U. S. D. J.

Court Of Appeals Judgment,
Filed June 5, 1981

At a stated Term of the United States Court of Appeals for the Second Circuit, held at the United States Courthouse in the City of New York, on the fifth day of June one thousand nine hundred and eighty-one.

Present:

HON. ELLSWORTH A. VAN GRAAFEILAND
HON. AMALYA L. KEARSE, Circuit Judges
HON. CHARLES E. STEWART, District Judge

Circuit Judges,

WARBERN PACKAGING INDUSTRIES, INC.,
Plaintiff-Appellant-Cross-Appellee

v.

CUT RATE PLASTIC HANGERS, INC.,
Defendant-Appellee-Cross-Appellant

Appeal from the United States District Court for the Eastern District of New York.

This cause came on to be heard on the transcript of record from the United States District Court for the Eastern District of New York , and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby ordered, adjudged, and decreed that the judgment of said District Court be and it hereby is reversed in part and affirmed in part and the action be and it hereby is remanded to the said district court for further proceedings consistent with the opinion of this court.

A. DANIEL FUSARO, Clerk

by Edward J. Guardaro, Deputy Clerk

Court Of Appeals Order Denying Petition For Rehearing And Suggestion For Rehearing In Banc, Filed August 14, 1981

At a stated term of the United States Court of Appeals, in and for the Second Circuit, held at the United States Court House, in the City of New York, on the 14th day of August, one thousand nine hundred and eight-one.

WARBERN PACKAGING INDUSTRIES, INC.,

Plaintiff-Appellant-Cross-Appellee,

v.

CUT RATE PLASTIC HANGERS, INC.,

Defendant-Appellee-Cross-Appellant

A petition for rehearing containing a sugguestion that the action be reheard in banc having been filed herein by counsel for the defendant-appellee-cross-appellant, Cut Rate Plastic Hangers, Inc .,

Upon consideration by the panel that heard the appeal, it is Ordered that said petition for rehearing is DENIED.

It is further noted that the suggestion for rehearing in banc has been transmitted to the judges of the court in regular active service and to any other judge on the panel that heard the appeal and that no such judge has requested that a vote be taken thereon.

A. DANIEL FUSARO,
Clerk

By Francis X. Gendhart
Chief Deputy Clerk

Excerpts From Trial Transcript

EXCERPTS FROM CROSS-EXAMINATION
OF ROBERT PHILLIPS

Page 149, line 11 through
Page 150, line 17:

Q Has anyone ever marketed a hanger that looked or worked like the hanger of your design patent number D1908043; is that the Defendant's Exhibit E?

A Yes.

Q Who is that?

A Scott Plastics.

Q Where are they located?

A I think they did manufacture in North Carolina.

Q Did you ever charge them with infringement?

A No, we know where they sold the product. This product, or a product similar in design to 1904843.

Q But you never had them charged with infringement?

A No.

Q Are you aware that that patent, Exhibit E has expired?

A Yes.

Q Are You aware—

THE COURT: That's the designed patent?

MR. SILBERMAN: Yes.

Are you aware that hanger that looks like that is in the public domain?

A Yes.

Q If Cut Rate wants to manufacture a hanger that looks like that, would you have any objection?

A No; any one could make it.

Excerpts From Trial Transcript

Q Is that Scott Hanger still on the market, do you know?

A Well, for all intents and purposes he's out of business now, and I don't know whether that product is still on the market or being sold today.

Page 173, line 15 through
Page 174, line 17:

Q Am I correct in saying that you would not have discarded the hanger of Exhibit E if you had found them satisfactory as a result of those tests that you say you performed?

A Well—that's something—how can I answer that question.

Q It seems to me—

A I found them unsatisfactory; how can I answer?

Q Did you determine from these tests why the hangers of Exhibit E did not perform the way you wanted them to?

MR. SILBERMAN: Your Honor, he's answered that question four or five times.

THE COURT: As to why they did not—what the mechanics of the failure was.

THE WITNESS: The garment fell off the hanger.

THE COURT: Did you ascertain what made it loose?

THE WITNESS: It didn't hold the garments in place. It needed more gripping or more surface or whatever it needed, it just didn't hold the garments in place.

Q Was that because the hanger of Exhibit E did not have the spoon shaped end on them?

A Yes—I wouldn't say yes to that. I don't know whether that was specifically the reason, but if you go then to the patent that does hold the garment.

Opposition

Office - Supreme Court, U.S.
FILED
DEC 11 1981
ALEXANDER L. STEVAS
CLERK

No. 81-918

IN THE

Supreme Court of the United States

OCTOBER TERM, 1981

CUT RATE PLASTIC HANGERS, INC.,

Petitioner,

v.

WARBERN PACKAGING INDUSTRIES, INC.,

Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

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December 11, 1981

(11753)

CORPORATE AFFILIATES

Respondent, Warbern Packaging Industries, Inc. has no parent companies, subsidiaries or affiliates. Respondent's name has been changed to A & E Products Group, Inc.

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No. 81-918

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM 1981

CUT RATE PLASTIC HANGERS, INC.,
Petitioner,

v.

WARBERN PACKAGING INDUSTRIES, INC.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

Nothing about this patent case warrants review by the Supreme Court. Petitioner simply objects to the omission of the "magical" words "synergism" and "clearly erroneous" from the decision of

the Court of Appeals while ignoring the clear import of the decision.

There are no special and important reasons for review by this Court on a Writ of Certiorari. No decisions are in conflict and, in fact, the decision of the Second Circuit Court of Appeals confirms the decision of the Fifth Circuit Court of Appeals finding that this industry spawning patent was valid and infringed by those who incorporated the essence of the invention into their constructions. Respondent therefore opposes the Petition for a Writ of Certiorari to the United States Court of Appeals for the Second Circuit.

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Second Circuit is reported at 652 F.2d 987. The District Court

opinion is unofficially reported at 200 USPQ 616.

The opinion of the United States Court of Appeals for the Fifth Circuit on the same United States patent is reported at 615 F.2d 222. The opinion at the District Court level is unreported.

QUESTION PRESENTED

How can a patent case be sufficiently "special" to command the attention of the Supreme Court when the patent has been found valid and infringed by seven (7) of the eight (8) judges who have previously considered it with unanimity among the six (6) appellate judges.

STATEMENT OF THE CASE

The Levine patent, no. 3,047,196 issued in 1962 and expired in 1979. The garment hanger covered by the patent was

widely copied. Most infringements were terminated by entry of consent judgments which admitted validity and infringement. Only two cases were actually litigated, the present case involving Cut Rate and the prior one involving Huron.

In Huron, the judge in the Southern District of Florida found the Levine patent valid and infringed by a hanger whose construction was identical to the construction of the Cut Rate hanger. The patents in evidence in the Huron case, including the design patent on which Petitioner relies, were the same as those in evidence in the present case.* The District Court found the patent valid over the prior art and infringed by the Huron hanger and the finding was affirmed by the Fifth Circuit Court

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*See Judge Dooling's quotation of Finding No. 20 in the Huron District Court decision. 200 USPQ at 621.

of Appeals which found that the test of synergism was inapposite; even with knowledge of the prior art, the patented hanger required the exercise of inventive skill. The judges were unanimous.

Judge Dooling of the Eastern District of New York presided at the bench trial of the present action. He found non-infringement by the Cut Rate hanger despite its identity to the Huron hanger and he also found the patent invalid. On appeal, the Second Circuit Court of Appeals unanimously reversed, finding the Levine patent both valid and infringed by the Cut Rate hanger.

Thus far, six defendants have acknowledged the validity and infringement of the Levine patent by entry of consent judgments and six appellate court judges and one district court judge have found the Levine patent valid and infringed. Only Judge Dooling had difficulty in recognizing

the invention and its unlawful adoption by Cut Rate.

REASONS FOR DENYING THE WRIT

The decision below is unexceptional and is of interest only to the parties to this lawsuit. The sole question remaining is the damages that Cut Rate is to pay to Warbern in order to compensate for the use of the invention. The patent expired in 1979 and no injunctive relief on the patent is possible. All litigation over the patent, except this case, is terminated. No conflict exists between the decisions of the court below and another Court of Appeals or with a decision of this Court, and the Petition points to none.

The sole significant issue attempted to be raised by the Petition is the failure of the Circuit Court to use the word "synergism" in its opinion. Whether or not

the issue of synergism is ripe for decision by the Supreme Court, this certainly is not the case on which the issues can be properly developed.

The Fifth Circuit addressed the issue and found it inapposite. The Second Circuit found it unnecessary to address synergism directly because it found that the patented invention was not a combination of old elements.

> However, we find nothing in the prior art that discloses an effective gripping device that could be incorporated into a unitary plastic hanger that could be used as a ship-on hanger.

652 F.2d at 992. All courts had before them the design patent which is the cornerstone of Cut Rate's petition.

The record is clear and fully supports the above quotation from Judge Stewart's well written opinion. Petitioner misleads the Court with its statement that Warbern recognizes its patented hanger to be

a combination of old elements. The briefing of the issue of synergism by Warbern in a comprehensive appellate brief is not, a fortiori, such an admission.

When and if the Supreme Court considers it appropriate to again consider the issue of synergism, the patented invention should be one in which all elements were known in the prior art. The Levine patent does not present such a case. The Levine patent is not a combination of known elements - it is something more. The prior art does not show all the elements and the Fifth and Second Circuits so held. A review of the issue of synergism by this Court will not bear on the finding that the Levine patent is valid. It is apparent that Petitioner has raised the issue of "synergism" as its sole hope of attracting the attention of this Court. Synergism is simply not an issue in this case.

Finally, for Petitioner to ask this Court to hear this case based on its complaint that it cannot find the words "clearly erroneous" in the appellate court's decision shows a total lack of recognition of the role this Court plays in our judicial system. Respondent will not deign to further discuss Petitioner's second question.

CONCLUSION

The Petition totally lacks merit and should be denied.

Respectfully submitted,

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